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RURAL DEVELOPMENT AND LOCAL ADMINISTRATION
DEPARTMENT

# GUIDE BOOK

ON

# PANCHAYAT DEVELOPMENT IN MADRAS STATE

(REVISED AND ENLARGED)

**Volume I**

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RURAL DEVELOPMENT AND LOCAL ADMINISTRATION DEPARTMENT

OFFICE OF THE ...
17 FEB 1962
RURAL EXTENSION TRAINING ...

# GUIDE BOOK

## ON

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# PART I.

## INTRODUCTION.

## * DEVELOPMENT OF PANCHAYAT ADMINISTRATION IN MADRAS STATE.

### SECTION I.—PRELIMINARY.

1. Madras State is getting ready to embark on a new programme of Development of Panchayat Administration. The statutory basis required for this programme has been provided in a Bill which has been passed by the State Legislature. The Bill has been submitted to the President for his assent; when the assent is received, the new Madras Panchayats Act, 1958 will become law.

2. The administrative machinery necessary for implementing the Act will be set up shortly. Statutory Rules envisaged in the Act will also be made. These are under consideration at the moment and will be completed within the next two months.

3. At the same time another law (already enacted) will be put into effect. "Development Districts" will be delimited and a District Development Council constituted in every Development District as statutory organs of consultation and co-ordination, replacing the existing non-statutory District Planning Boards and a number of other *ad hoc* non-statutory consultative bodies.

4. Thereafter, a three-year programme of phased introduction of the new Madras Panchayats Act will be drawn up for every Development District in consultation with the new Development Council of that district. Already, there is a provisional delimitation of the entire rural area of the State into Development Blocks, for purposes of operation of the National Extension Service Scheme of Community Development. These Blocks will be grouped in three batches. The new Act will be introduced in each batch of Blocks during each of the next three years, 1959–60, 1960–61 and 1961–62.

5. Upon the introduction of the new Act in each Development Block, it will become a "Panchayat Development Block" under the new Act with the new set up of Panchayat Administration installed therein. Thereupon, the Old Panchayats Act and the District Boards Act which form the statutory basis for the present set up of Local Administration in rural areas) will cease to be in force in that Block. Thus, the change-over is scheduled to be completed in three years. During the First Year of the Third Five-Year Plan period, the new set-up of Panchayat (Organization) will be in position throughout the State. The novel feature of this set up under the new Act is its "federal structure". This is described and explained in Section II.

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* A note, dated 5th January 1959 by Sri R. A. Gopalaswami, I.C.S.

Members of the State Legislature are given the right (by virtue of the location of the constituency in respect of M.L.As. and by virtue of residence in the case of M.L.Cs.) to take part in the proceedings of the Panchayat Union Council. But they are not entitled to vote or to be elected as office-bearers.

16. Every Panchayat elects its own President and Vice-President. Likewise, the Panchayat Union Council elects its own Chairman and Vice-Chairman.

17. During the last 25 years, Madras State has evolved a system of Municipal Administration where the functions of "executive authority" are distinguished from the functions of the governing body, and the functions of the presiding officer of the governing body. While the latter functions are vested in an elected council and elected chairman, the functions of "executive authority" are statutorily vested in a Government appointed officer known as the Municipal Commissioner. An arrangement of this kind entails detailed specification of the powers and duties of the council, the Chairman and the Commissioner vis-a-vis one another. The new Act extends these arrangements to Panchayat Unions and to the Town Panchayats but not to Village Panchayats. The Act provides for a Government-appointed Panchayat Union Commissioner to function as the statutory executive authority of every Panchayat Union; and for a Government-appointed Executive Officer to function as the statutory executive authority of every Town Panchayat. In respect, however, of Village Panchayats the elected President functions not only as the Presiidng Officer of the Village Panchayat, but also as the executive authority as well. The Block Development Officer who heads for Extension Service Team in every Development Block will become the Panchayat Union Commissioner under the new Act.

18. The precise nature of the statutory allocation of functions (as between the Council and the Commissioner of the Panchayat Union) is best indicated by the terms of sections 11 (2), 44 (4) and 44 (5) of the Act which are reproduced below :—

" *Section* 44 (4).—The Commissioner shall—

(*a*) have the right to attend the meetings of the panchayat union council or of any committee thereof and take part in the discussions thereat, but without the right to move any resolution or to vote ;

(*b*) attend any meeting of the panchayat union council or of any committee thereof if required to do so by the Chairman ;

(*c*) carry into effect the resolutions of the panchayat union council ;

(*d*) furnish to the panchayat council such periodical reports regarding the progress made in carrying out the resolutions of that body and in the collection of taxes as the council may direct ;

(*e*) control all the officers and servants of the panchayat union council ;

(*f*) perform all the duties specifically imposed and exercise all the powers conferred on the Commissioner by this Act and subject, whenever it is hereinafter expressly so provided, to the sanction of the Panchayat Union Council, and subject also to all other restrictions, limitations and conditions hereinafter impoted, exercise the executive power for the purposes of carrying out the provisions of this Act and be directly responsible for the due fulfilment of the purposes of this Act.

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*Section* 44 (5).—Notwithstanding anything contained in sub-section (2) of section 11 and subject to all other provisions of this Act and the rules made thereunder, the Panchayat Union Council shall have power to issue specific directions as it may think fit regarding the performance by the Commissioner of any of the functions assigned to him under this Act:

Provided that where such directions relate to any National Extension Service Scheme of Community Development or any other Scheme specially entrusted by the Government to the Panchayat Union, the directions issued by the Council shall be in conformity with the terms and conditions of such entrustment."

## SECTION III.—FUNCTIONAL SCHEME.

19. The Third Chapter of the Act (which contains section 63 to 114) is headed " Functions, Powers and Property of Panchayats and Panchayat Union Councils ". Before arriving at this specification, the Legislature Committee on Local Administration carried out an itemwise scrutiny of all the functions which under the old Panchayats Act and District Boards Act, the Panchayats and District Boards were either required or authorised to perform. To begin with, it was examined which among those functions were better performed directly by either a Government Department or other statutory agency different from Panchayat Administration. Certain items were thus excluded. Then it was examined which among the functions which are at present performed directly by departmental agencies of the State Government should be better performed by Panchayat Administration. Certain items were then added. Thus the pool of functions which could conveniently be performed by Panchayat Administration was arrived at. The next step was to effect a distribution of this pool of functions as between the two tiers of federal structure Panchayat Administration: that is to say, the Panchayat Union for the Block as a whole, and by the Panchayat individually within the village, or town in its charge. Here again, the criterion for decision regarding allocation in each case was the suitability of the agency for efficient and satisfactory performance of the particular function in question. In every case a clear-cut settlement was arrived at so as to remove doubt or ambiguity in respect of the location of responsibility.

20. There were three main items among the functions at present performed by District Boards which were excluded from the scope of Panchayat Administration :—

*First.*—At present, District Boards are maintaining and managing Secondary Schools. It was decided that this responsibility should be excluded from the scope of Panchayat Administration and entrusted to a separate statutory agency to be newly created.

*Secondly.*—Roads which are classified as ' Major District Roads " are at present partly maintained by District Boards and partly by the State Government. It was decided that all roads which are at present classified (or which may hereafter be classified) as Major District Roads should be the exclusive responsibility of the State Government.

*Thirdly.*—District Boards are at present maintaining medical institutions. A distinction was made between hospitals and dispensaries. All hospitals are to be taken over by Government and all dispensaries are to be the responsibility of Panchayat Administration.

21. The following items are at present outside the scope of both District Boards and Panchayats, and are looked after by Government departments. The Act provides for the transfer of responsibility to Panchayat Administration :—

*First.*—The most important items are those which are grouped under the name of National Extension Service Scheme of Community Development. The Act provides (in section 66) as follows :—

"The Government shall, as soon as may be after the constitution of Panchayat Union Council for a Panchayat Development Block under the Act entrust to the Panchayat Union Council, subject to such conditions and restrictions as may be specified by the Government, the execution in the Panchayat Development Block of the National Extension Service Scheme of Community Development, including, in particular all measures relating to the Development of Agriculture, Animal Husbandry and Village Industries organized on an individual or co-operative basis."

*Secondly.*—At present, elementary education is provided in rural areas in schools some of which are maintained by public agencies (i.e., District Boards, Panchayats and the Harijan Welfare Department of Government) and in part, by private agencies to whom grants-in-aid are provided by Government. According to a policy decision already taken by Government on the advice of the Legislature Committee on Education, development of elementary education is to be undertaken on a planned basis so as to ensure universalisation of primary education during the Third Five-Year Plan Period. This decision rendered it necessary to provide unified planning and unified financial arrangements for every local area. In order to bring this about it was decided that the responsibility for assisting private elementary schools should be specifically included among the functions allotted to Panchayat Union. The Statutory specification is in the following terms :—

"Opening and maintenance and expansion or improvement of elementary schools, including the payment of grants to private managements in respect of elementary schools."

22. Among the functions allotted to the Panchayat Union, as well as among the functions allotted to the Panchayats, the Act establishes a distinction between what may be described as 'mandatory', 'discretionary' and 'agency' functions.

'Mandatory' functions are those which, according to the Act, it is the duty of the Panchayat Union (or Panchayat as the case may be) to make "reasonable" provision for. They constitute a first charge on the resources placed at the disposal of Panchayat Administration.

'Discretionary' functions are those which the State authorises the Panchayat Administration to perform. Whether any, and if so what provision should be made therefor is left to the discretion of the Panchayat Union (or Panchayat as the case may be).

The third category, viz., 'Agency' functions relates to matters in respect of which the Panchayat Union (or Panchayat) acquires jurisdiction to perform functions as a result of a specific act of entrustment made by Government or other authority specified in the Act. In such cases, there is flexible provision enabling the terms and conditions of entrustment to be settled so as to be suitable for efficient performance of functions in conformity with general policy and the requirements of the Five-Year Plan.

23. *Local Health and Welfare Services.*—Conservancy and sanitation, drainage and water-supply, lighting—these services are exclusively allotted to Panchayats on a mandatory basis.

Maternity and Child-Welfare (including specifically the provision of advice on Family Planning), Health Protection and Medical Relief are allotted to the Panchayat Union on a mandatory basis.

Fairs and festivals which are classified as those of Panchayat Unions are allotted to Panchayat Unions on a mandatory basis. Those which are not so classified are allotted to Panchayats on a discretionary basis.

24. *Local Education.*—The entire responsibility for Elementary Education (including the provision of aid for private management, as well as for the maintenance of school meal services is allotted to Panchayat Unions on a mandatory basis. It is open to Panchayats (on a discretionary basis) to maintain certain cultural facilities (i.e., reading room, wireless receiving sets, playgrounds, parks, sports clubs, physical culture centres, literacy centres and centres imparting social education).

25. *Local communications.*—All roads passing through a Block which are clasisfied as National Highways, State Highways or Major District Roads (as mentioned already) will be the responsibility of the Government. Among the remaining roads certain roads will be classified as "Panchayat Union Roads" such classification being limited to the capacity of the Panchayat Union efficiently to maintain the classified roads at the minimum standards appropriate to their purpose. All other roads are the responsibility of the Panchayats—each within its own limits. No particular standards of maintenance are stipulated for the latter, but it is mandatory on Panchayats to make "reasonable" provision with the resources available to them. Panchayats are also allotted the discretionary function of planting and maintaining trees on all road margins within their limits.

26. *Rural Economic Services.*—Markets classified as Panchayat Union Markets are the responsibility of Panchayat Unions. Unclassified markets are included among the discretionary functions of Panchayats. Many of the economic services are 'Agency' functions. As already mentioned, works and services relating to development of agriculture, animal husbandry and village industries are allotted (along with the National Extension Service Scheme of Community Development) to Panchayat Unions as 'Agency' functions. There are a number of 'Agency' functions which are entrustable either to Panchayat Union or to the Panchayat according to convenience. The most important among them is contained in section 85 and relates to the maintenance of irrigation works and the execution of kudimaramat.

## SECTION IV.—FINANCIAL SCHEME.

27. The fourth chapter of the Act (containing sections 115 to 143) is headed "Taxation and Finance". The financial scheme which is partly emobied in this chapter of the Act and which is still to be completed in detailed statutory rules has been worked out by a Sub-Committee, specially appointed for the purpose, by the Legislature Committee on Local Administration. The report of this Sub-Committee is an important document to which reference should be made in order to grasp the principles underlying the scheme and intelligently implement the new Panchayats Act.

28. The scheme is based on the ascertainment of the present level of expenditure by Panchayats and District Boards and the estimation therefrom of the increased financial resources which should be made available, if "reasonable" provision must be made as required by the Act for mandatory functions allotted to the Panchayat Administration and if some margin is to be also available for performing discretionary functions. Then the next question is considered as to what part of the increased resources should be made available out of State Government revenues and what part of the increased resources should be made available through the exercise of power vested in Panchayat Administration to levy local taxation. When the Sub-Committee was appointed, it had been agreed by the Legislature Committee that a situation in which the State Legislature was required to shoulder the responsibility of voting all the taxes, while the Panchayat Administration was merely concerned in spending the proceeds of these taxes would be inadmissible and should be avoided. A definite measure of responsibility for raising resources through local taxation must be accepted by Panchayat Administration. It was realised in this context, that the Blocks varied considerably from one another in respect of their capacity to raise local resources, and the existence of this inequality should be taken into account. The solution of the problem thus put to the sub-committee is briefly explained below.

29. The level of expenditure on all the works and services maintained by District Boards varies, of course, from district to district. On an average for the State, it amounts to one rupee and seventy-six naye Paise per capital per annum. In those rural areas when no Panchayats exist, this represents the entire cost of services maintained by local administration at present. In those rural areas, where Village Panchayats are also functioning, they spend on an average 62 naye Paise per capita per annum. Thus the aggregate cost of Village Panchayat services and District Board services amounts to 2 rupees and 38 naye Paise per capita per annum in Panchayat villages.

Panchayat towns (as may be expected) have a higher level of expenditure than Panchayat villages. Here the Town Panchayat expenditure amounts to two rupees and 65 naye Paise per capita per annum. Together with District Board expenditure, the total is 4 rupees and 41 naye Paise per capita per annum.

Municipal towns (as may be expected) have a higher level of expenditure, than Panchayat towns. The average for all Municipal towns in the State (excluding Madras City) is more than twice as much as in Pancayat towns. It is not far short of 10 rupees per capita per annum.

The level of expenditure maintained in Madras City by the Madras City Corporation is very nearly 20 rupees per capita per annum.

30. The Sub-Committee recommended a financial scheme which requires that the level of expenditure in Panchayat villages of Panchayat Development Blocks should be raised to six rupees per capital per annum. The following table shows how, according to the Sub-Committee, existing defiencies should be made good :—

TABLE.

| | | Expenditure per capital per annum. | |
|---|---|---|---|
| | | *Actuals of 1955–56.* | *Proposed target level.* |
| | | RS. NP. | RS. NP. |
| (A) General management, collection and miscellaneous service charges. | | 0 26 | 0 30 |
| (B) Health and welfare services .. | .. | 0 42 | 1 00 |
| (C) Local roads and other local works .. | .. | 0 80 | 1 20 |
| (D) Local establishment expenditure. | District Boards. | 0 80 | 3 50 |
| | Government .. | 1 00 | .. |
| | Total .. | 3 38 | 6 00 |

Whereas the entire expenditure of District Boards and Village Panchaayts (plus Government expenditure on elementary schools) amounted to 3 rupees and 38 naye Paise per capita during 1955–56,

the Sub-Committee proposed a target level of 6 rupees per capita for Panchayat Administration. Additional resources of the order of 2 rupees and 62 naye Paise per capita should be made available. One rupee per capita per annum (if spent on the entire village population of the State) would amount to an annual outlay of nearly 2½ crores and is almost exactly one-half of the land revenue of the State. The Sub-Committee's proposal meant that the level of expenditure on villages should be increased by an additional amount exceeding the entire land revenue of the State.

31. The greater part of the proposed increase is attributable to elementary education. This was so because, as recommended by an earlier Legislature Committee on Education, an active programme of development of elementary education has to be instituted in every Development Block, in the wake of the constitution of Panchayat Administration on the new model. Expenditure on elementary education was expected to rise in part on account of increased enrolment and in part on account of new expenditure on the provision of school-meals. It was thus estimated that the target rate of expenditure on local education, viz., Rs. 3 and 50 naye Paise per capita would be required under different heads as shown below :—

| | RS. | NP. |
|---|---|---|
| Pay and allowance of teachers .. .. .. | 2 | 40 |
| School meal grants .. .. .. .. .. | 0 | 60 |
| Other local establishment expenditure .. .. | 0 | 50 |
| Total .. | 3 | 50 |

If educational expenditure is excluded, the remainder was only 2 rupees and 50 naye Paise per capita per annum, out of which one-half would be required by the Panchayat Union and one-half by Village Panchayats. The increase involved was justified by the need for better attention to roads and village sanitation and other village amenities.

It will be recalled that the level of expenditure incurred by Panchayat towns is even now higher than the target level proposed for Village Panchayats. According to the Sub-Committee's proposal the higher level would continue though the difference would be somewhat reduced. The resources allotted to Town Panchayats are neither increased nor decreased, while the resources allotted to Village Panchayats are increased.

32. The figures mentioned above are only estimates of requirements. They should not be misconstrued as rigid specifications of statutory liabilities. The object underlying these estimates was to make sure that the statutory provisions regarding allocation of

financial resources would be adequate and suitable with reference to anticipated requirements. The gist of these statutory provisions, may be summarised as below :—

I. All existing sources of local taxation and revenue allotted to District Boards and Panchayats were continued in favour of Panchayat Unions and Panchayats without any decrease and subject only to consolidation and simplification in certain respects.

II. Additional resources were made available in the several ways described below.

33. *Land Revenue Assignment* (*section* 118).—Out of the total amount of land revenue (including water-cess) collected in the State, a sum representing one rupee per head of population should be paid annually to every Panchayat Union as Land Revenue Assignment. (This would account for one-half of the Land Revenue.)

34. *Local Cess Surcharge* (*section* 116) *and Local Cess Surcharge Matching Grant* (*section* 129).—The Panchayat Union was given the right to levy a local cess surcharge (on all lands liable to payment of land revenue to the Government). This is limited to a maximum rate which is to be prescribed by rules. For every rupee raised by the Panchayat Union through the exercise of this power, the Government is required to pay corresponding sum as Local Cess Surcharge Matching Grant. The matching rate is not specified in the Act and is to be prescribed by rules. According to the Sub-Committee's financial scheme, the Blocks in the State should be grouped into 4 classes, A. B, C and D and different rates should be adopted as Matching grant percentages for each class as shown below :—

| *Classification of block.* (1) | *Matching grant.* (2) PER CENT. |
|---|---|
| 'A' | 75. |
| 'B' | 75 to 125. |
| 'C' | 125 to 150. |
| 'D' | 150. |

35. *Local Education Grant* (*section* 128).—This entire educational expenditure of the Panchayat Union is expected to be met as below :—

(i) The first slab equal to one rupee per head of population should be met wholly by the Land Revenue Assignment (referred to in paragraph 33 above.)

(ii) So much of actual expenditure as exceeds the first slab is treated as the second slab, subject to a maximum to two rupees and 50 naye Paise per capita. The Act provides that a specific proportion of this second slab should be made available by Government as a Local Education Grant. The Act says the proportion should be not less than 50 per cent and not exceeding 80 per cent. According to the recommendation of the Sub-Committee the rate

should be 50 per cent for class A-Blocks, 60 per cent for class B-Blocks, 70 per cent for class C-Blocks and 80 per cent for class D-Blocks.

36. *Classification of Blocks* (*section* 130).—It will be clear from the foregoing that the basis on which Blocks are to be classified is a matter of importance, both to them and to the State Government. The Sub-Committee has recommended that this classification should be effected on a purely objective basis. The " Village Land Revenue per capita " has been suggested as the most suitable yardstick by which to measure the capacity of a Block to raise local resources, through the power now vested in it to levy local cess surcharge. The proposal is that all the Blocks of the State should be arranged in the serial order of magnitude of the Village Land Revenue per capita, starting with the highest and ending with the lowest. Out of the total number, the first 40 per cent should be placed in class A, the next 30 per cent in closs B, the next 20 per cent in class C and the last 10 per cent in class D.

37. *Local Road Grant* (*section* 131).—There is at present an anachronistic provision by which the Government is required to make payments to District Boards, on the basis of income derived from them from tolls and licence fee which ceased to be leviable long ago. This is abolished and replaced by a Local Roads Grant; the amount of which is fixed uniformly at 40 naye Paise per head of population. This is required to be earmarked for expenditure on maintenance of Panchayat Union Roads.

38. *Village House-tax Matching Grant* (*section* 132).—Against every rupee of house-tax collected by a Village Panchayat, an equal amount is required to be paid by Government to the village panchayat as Village House-tax Matching Grant. This is intended as much to induce the Village Panchayats to use their power to levy house-tax, as to add to the resources of Village Panchayats, (In this case it is considered unnecessary to vary the rate for matching purposes from Block to Block.)

39. The Sub-Committee has estimated the probable yield of the financial resources as described above, should be as shown below :—

| | *Target rates of income per capita per annum.* | | | | | |
|---|---|---|---|---|---|---|
| | *Panchayat Union.* | | *Village Panchayat.* | | *Total.* | |
| | RS. | NP. | RS. | NP. | RS. | NP. |
| 1 Land revenue assignment .. .. | 1 | 00 | .. | | 1 | 00 |
| 2 Local cess .. .. .. .. | 0 | 70 | 0 | 20 | 0 | 90 |
| 3 Local cess surcharge .. .. .. | 0 | 50 | .. | | 0 | 50 |
| 4 Stamp duty .. .. .. .. | .. | | 0 | 35 | 0 | 35 |
| 5 House tax .. .. .. .. | .. | | 0 | 30 | 0 | 30 |
| 6 Minor local revenues .. .. .. | 0 | 15 | 0 | 10 | 0 | 25 |
| **Total—Assigned revenues** .. | 2 | 35 | 0 | 95 | 3 | 30 |

| | Target rates of income per capita per annum. | | |
|---|---|---|---|
| | Panchayat Union. | Village Panchayat. | Total. |
| | RS. NP. | RS. NP. | RS. NP. |
| 1 Local education grant .. .. .. | 1 50 | .. | 1 50 |
| 2 Local cess surcharge matching grant .. | 0 50 | .. | 0 50 |
| 3 Local roads grant .. .. .. | 0 40 | .. | 0 40 |
| 4 Village house tax matching grant .. | .. | 0 30 | 0 30 |
| Total—Statutory Government grants. | 2 40 | 0 30 | 2 70 |
| Grand total .. | 4 75 | 1 25 | 6 00 |

40. In order to complete the financial picture the following facts should be mentioned :—

(i) The target level of six rupees per capita per annum is exclusive of the cost of "Agency" functions. Where development schemes relating to agriculture, animal husbandry and village industries are to be entrusted to Panchayat Unions for execution, the terms and conditions relating to such entrustment will include the financial provision therefor. Likewise, if any minor irrigation sources are transferred for maintenance by the Panchayat Union, there should be corresponding provision for funds.

(ii) It is an essential feature of the scheme that the services of the Block Development Officer, various extension officers and village level workers who form part of the National Extension Service Organization should be made available to Panchayat Administration free of charge.

(iii) In so far as the Second Five-Year Plan is concerned, the funds necessary for making increased resources available are to be found from the Development Plan already settled. In preparing the Third Five-Year Plan, the commitments made in the new Act will be accepted in full and provided for in the State Plan. The Madras Government expect that Central Government Grants will continue to be available during the Plan period on no less favourable basis than during the Second Plan.

## Section V.—Concluding remarks.

41. The fifth chapter (containing sections 144 to 158) makes provision for "controlling authorities". It defines the purposes for which administrative control is to be exercised and specifies the authorities by whom and the manner in which such control is exercisable. The provisions are largely based on pre-existing practice in relation to Municipalities, District Boards and Panchayats. The two last chapters of the Act and four schedules call for no special remarks.

42. In concluding this account of the changes which are planned to be brought about in the organization of local administration in the rural areas of the State, special mention should be made of the

procedure which was followed by the Government in order to ensure that all the political parties of the State took effective part in passing the new law.

43. At first, the Government of Madras carried out their own examination of the problems of reform of Local Administration and arrived at their own provisional conclusions. A "White Paper" on the reform of Local Administration in Madras State including the Madras City Corporation was prepared, wherein the entire previous history of the subject was set out including the recommendations of various *ad hoc* Committees which had gone into different aspects of the subject previously. The provisional conclusions were set out as a basis for detailed examination.

44. The White Paper was placed before the Legislature in the last week of October 1957. It was debated in both the Houses of the Legislature. The two Houses then passed resolutions setting up a Committee of the Legislature consisting of 16 members from the Assembly and 8 members from the Council. All political parties functioning in the Legislature were adequately represented on the Committee.

Between January and August 1958, the Legislature Committee met in seven different sessions, in the course of which they received all the information they needed from the Government department concerned. The Committee set up two sub-committees—one of which dealt with the proposals relating to the Madras City Corporation and the other made a thorough study of the financial basis of the Panchayat Administration.

45. Four different Bills were drafted on the basis of agreed conclusions reached in the Committee. The Committee considered and discussed the drafts of these Bills. Thereafter the Bills were placed before the Legislature. Even at that stage, there were full discussions in both Houses, during which numerous points were raised, all of which were considered by the Committee. Many changes were made even at that stage.

In the result, all the Bills were passed by both Houses of the Legislature, on the basis of active support from all political parties.

46. The Committee still remains in being; for, though the new Panchayat Act has been passed as well as the District Development Councils Act, proposals regarding the future of Municipalities and the Madras City Municipal Corporation still remains to be finalised.

Further, the Government have undertaken to consult the Committee before finalising the statutory rules which are to be framed under the new Panchayat Act.

It is hoped that the basis of All-Party agreement on which these reforms have been formulated will continue to prevail and assure the success of their implementation.

# PART II.

## District Development Councils.

## MEMORANDUM ON DISTRICT BOARDS.

### HISTORICAL RETROSPECT AND STATISTICAL DATA.

1. There were no local boards of any kind till the middle of the 19th century when Road Funds were created by an executive order for the upkeep of roads other than trunk roads and important district roads, the Collector and District Engineer being in charge of the work. This arrangement was put on a statutory basis by the District Road Cess Act, 1866, which authorized the levy of a cess of half an anna in the rupee on the rent value of occupied land for the construction and maintenance of local roads.

2. The origin of the present district boards may be traced to the Local Fund Act of 1871, which was the outcome of the desire on the part of the Government to provide a sound elementary education to the masses. The Act made specific provision for declaring a district or part of a district as circle and for constituting a Local Fund Board for every such circle, consisting of three or more non-official members, nominated by the Government and an equal number of official members appointed by the Government. The term of office of members was three years. The non-official members were chosen from among owners or occupiers of lands or persons carrying on business or residing in a circle. The Collector of the district was the *ex-officio* President of each board situated within his jurisdiction. Some of the important functions of the board were—

(1) the maintenance of public roads or streets;

(2) management of hospitals, schools, choultries and markets; and

(3) and the training and employment of vacancies and medical practitioners, the sanitary inspection of towns and villages and any other local works of public utility calculated to promote the health, comfort or connivance of the people.

The Act authorized the levy and collection of land cess (at the rate not exceeding one anna in the rupee on the annual rent value of all occupied land), house tax (in villages or groups of villages or townships in which a school supported by Government grants-in-aid existed) and tolls on carriages, carts or animals passing along the roads within the circle.

3. Local Self Government as a conscious process of administrative devolution and political education dates from the final reforms of Lord Mayo's Government. By resolution No. 3334, dated 14th December 1871, the Government of India made over to provincial

Governments certain departments of which education, medical services and roads, deserve particular mention, as they still constitute the principal activities of local bodies. The beginnings of a system of local finances are to be found in the new scheme of provincial finance and many of the present day problems of local finance vis-a-vis provincial finance are similar to those which provinces had to face in their dealings with the Government of India. Lord Ripon's Government desired that provincial Governments should apply to their financial relations with local bodies the principle of financial decentralization which had worked satisfactory between the Government of India and the Provinces. The principal services entrusted to rural bodies were communications, education and sanitation.

4. The Madras Local Boards Act, 1884, conferred additional responsibilities on local boards which were for the first time called district boards instead of local fund boards. Under this Act, three classes of local boards, came into existence, viz., district boards, taluk boards and unions. The unions were of two classes—"major" and 'minor'. The administration of local affairs was vested in the district board constituted for each revenue district consisting of and not less than 24 members who might all be appointed by the Government or might be partly so appointed and partly elected by the members of the newly created taluk boards from among their members or by the union boards (another newly created taluk boards from among their members or by the union boards (another newly constituted local body) and by the tax-payers of the rural parts of the district. The Collector continued to be *ex-officio* President. The Act also provided for the election of the President of district boards, from among the members of district boards, if the Government so directed. The members were to hold office for three years. All Revenue Divisional Officers were made *ex-Officio* members. The local boards were empowered to levy with the approval of the Government any of the taxes authorized under the Act.

5. A taluk board was constituted for each taluk or group of taluks consisting of a President, and of not less than 12 members. The term of office of members was three years. The Revenue Divisional Officer was made an *ex-Officio* member and president of the board. The taluk board funds consisted of one-half of the proceeds of the tax levied by the district board in the area and transferred to the taluk boards by the district board and other fees such as licence for markets, etc., collcted within the area of the taluk board. The revenue of district boards and taluk board were derived from land cess, from fees for the use of cart-stands, markets, slaughter-houses, etc., from tools in the case of the maintainance of roads, bridges and other means of communications, the construction and maintenance of hospitals and dispensaries, the diffusion of education, the

enforcement of measures relating to sanitation and public health and the establishment and maintenance of relief works in times of famine and scarcity, etc.

6. The union boards were constituted for single villages or groups of villages. They consisted of not less than five persons, the headmen of the villages constituting the union being *ex-Officio* members. The board levied a house-tax varying from 4 annas to 4 rupees according to the classification of the house. The duties and responsibilities of the board were the lighting of public roads, the cleaning of roads, drains, well and other public places, the establishment and maintenance of dispensaries and schools and doing of things necessary for the preservation of public health.

7. The functions and financial resources of local boards, continue to this day to be very much the same as those in Lord Ripon's time. In 1907 the entire subject of local self-government was considered by the Royal Commission on Decentralization. It was then clearly brought out that the resources of local bodies were not sufficient for the proper discharge of the duties assigned to them. In the Government of India Resolution of 1915 on the proposals of the Decentralization Commission they referred to the smallness and inelasticity of local revenues and the difficulty of devising further forms of taxation as some of the factors which impeded the free and full development of self-government. In order to make local self-government really effective and responsible, the Montagu-Chelmsford Report suggested that there should be as far as possible complete popular control in local bodies and the largest possible independence for them of outside control. In regard to rural boards the report stated that they should have full liberty to improve and alter taxation within the limits laid down by law and that where the law fixed no maximum rate, the sanction of an outside authority should be required to any increase. It further stated that wherever a board paid for a service, it should control such service. If it was considered that control should be largely in the hands of Government, the service should be provincialized.

8. In the Government of India Resolution of 16th May 1918, the Government reviewed the question of local self-government and expressed the view that in order to give effect to the new policy, local bodies should be as representative as possible of the people whose affairs they were called on to administer, their authority in the matter entrusted to them should be real and not nominal and they should not be subject to unnecessary control but should learn by making mistakes and profiting by them.

9. With the coming into force of the Government of India Act, 1919, local self-government became a transferred subject and the implementation of policy and principles formulated in the resolution of May 1918 devolved on elected members.

10. Several amending Acts were passed by the State Legislature from time to time with a view to rectify defects which were brought to notice in the working of the Madras Local Boards Act, 1884. In 1920, the State Government thought that it was necessary to have a comprehensive legislation to give effect to the new policy of the Government and to consolidate and amend the law relating to district boards and the Madras Local Boards Act (Act XIV of 1920) was the result. The Act gave an independent status to each class of local boards and increased not only their strength but also the proportion of elected members, their resources and tseir powers. The taxation powers of all the three categories of local boards were enlarged. The boards were autnorized to levy profession tax on companies and firms and pilgrim tax. They were given a free hand in framing their budgets. Provision was made for the appointment of a District Board Engineer and a District Health Officer. The local boards thus became more or less autonomous and the Collector and the Government were empowered to interfere only in cases of emergency and maladministration. In the same year, the Madras Village Panchayat Act was also passed with the object of developing the system of self-government in rural areas. The latter Act was, however, repealed in 1930 with the passing of Madras Act XI of 1930, which amended the Madras Local Boards Act, 1920, and made it comprehensive to include even the panchayats constituted before the repeal of the Madras Village Panchayats Act, 1920. The Madras Local Boards Act, 1920, had been amended since then several times and the Act as it now stands applies only to district boards, the taluk boards having been abolished in 1934 and the panchayats having been taken away from the ambit of the Act by the Madras Village Panchayats Act, 1950.

11. The trend of amendments to the 1920 Act is given below :—

1920–1930.—Provision was made for taking of oath by members of local boards. All roads and public markets were thrown open to all persons of whatever caste or creed. The main changes introduced by the amendment Act of 1930 are—

(i) inclusion of village panchayats within the scope of the Act, conversion of union boards into panchayats and repeal of the Madras Village Panchayats Act, 1920;

(ii) abolition of the system of nomination to local boards;

(iii) direct elections to district boards;

(iv) general triennial elections to local boards;

(v) provision for a vote of no-confidence in presidents and vice-presidents and for the removal of presidents and vice-presidents by Government;

(vi) election of presidents of district boards;

(vii) empowering the Government to provincialize the services of officers and servants of local boards;

(viii) alteration in the provisions relating to taxes and tolls and in particular—

(*a*) provision for the levy of any tax suitable to the village with the sanction of the panchayat,

(*b*) restriction of the pilgrim tax to passengers leaving the local area concerned;

(ix) more effective supervision over the adjudication of disputes between local authorities *inter se* including, in particular, the vesting of power in the local Government to constitute joint committees of local authorities for the purpose.

1931—1940.—The levy of tolls and tax on motor vehicles by local boards was abolished in 1931. Specific provision was made for the constitution of district boards, for altering their jurisdiction and for their abolition. The majority required for the passing of motion of no-confidence in presidents and vice-presidents was reduced from 2/3 to 3/5. Provision was made for the reservation of seats for Muslims and Indian Christians besides the members of the Scheduled Castes. The Government took power to appoint District Engineers, Health Officers and Panchayat Officers. The amendment Act of 1934 introduced (i) abolition of taluk boards, (ii) abolition of village development fund, and (iii) provision for splitting up of district boards. The jurisdiction of courts to grant injunctions in election proceedings of local boards was taken away by the amending Act of 1936. The amalgamation of bifurcated district boards was made possible by the amending Act of 1937. The Act of 1938 provided for the inclusion of the names of persons found in the electoral rolls of the Madras Legislative Assembly constituencies in the rolls prepared for local boards. Failure to pay arrears of any kind due to the local boards was added as a disqualification for candidates standing for election or for members continuing in office.

1941 *to date.*—Certain safeguards were provided by the amending Act of 1942 in regard to removal or dismissal of Government servants employed by local boards. Act X of 1945 increased the rate of land cess leviable by local boards from $1\frac{1}{2}$ annas to 2 annas in the rupee. In the same year, provision was made in the Act for the levy of duty on transfers of property in the form of surcharge on stamp duty in respect of immovable property situated in the area under the jurisdiction of local boards. The formation

of the Highways Department in 1946 resulted in certain amendments of the Act in that year. In 1947 provision was made for the inclusion in the electoral rolls of local boards of persons who were qualified to be included but were omitted to be included in the Assembly electoral rolls. The levy of a duty on transfers of property in respect of leases in perpetuity of immovable property and exchange of immovable property was made possible by Madras Act VII of 1950. The Madras Village Panchayats Act, 1950 removed village panchayats from the ambit of the Madras Local Boards Act, 1920, after which the provisions of the latter Act which formerly related to panchayats were restricted to non-panchayat areas. The name of the Madras Local Boards Act was altered into the Madras District Boards Act, 1920. The provision for the reservation of seats for Muslims, Indian Christians and Europeans in the Act was omitted by the amending Act of 1951. The Act also limited the total number of reserved seats for the members of the Scheduled Castes, Anglo-Indian and women to one-fourth of the strength fixed for the district board. By another Act of 1951, the adoption of Madras Legislative Assembly electoral rolls and the alteration thereto for purposes of elections to district boards was provided for. Certain provisions of the Representation of the People Act, 1950, regarding the conduct of elections were embodied in the Madras District Boards Act by an Act of 1954.

12. The position of the local boards in the State as evolved by the various enactments above referred to may very briefly be stated as below :—

For the purpose of local administration, each district is governed by an elected board. For villages or groups of villages there are panchayats over which some sort of supervision was exercised by the district boards but with the passing of the Madras Village Panchayats Act, 1950 (Act X of 1950), the district boards ceased to have any control or voice in the affairs of panchayats. Though the aim of the Act is to have panchayats for all the villages in the State, it will take some years to achieve it. The only authority now functioning and that will function until then in most of the rural areas is the district board. The district boards consist of elected members, reservation of seats being provided on them for Harijans, Anglo-Indians and women. Their activities are now practically confined to non-panchayat areas, except in regard to education, medical relief and public health which extend over panchayat areas also.

13. The sources of income of district boards at present consist of proceeds of taxes like profession tax, entertainments tax and education tax, land cess, surcharge on stamp duty, licence fees, grants-in-aid by Government and compensation paid by Government for loss of income from tolls and licence fees on motor vehicles payable under the Motor Vehicles Taxation Act.

14. As the changes brought about by the Madras Village Panchayats Act, 1950, entailed a re-adjustment of the functions performed by district boards, the Government constituted a Committee in 1951 with Sri Kuttikrishna Menon as Chairman, to go into the question of abolition, retention or replacement of district boards, and in the case of their retention to suggest reforms required in the administration of district boards and for improving their financial resources, so as to make them efficient organs of local administration. The Committee submitted its report in 1953.

15. Certain statistical data relating to district boards are given below ;—

## DISTRICT BOARDS—STATISTICAL DATA.

| Year. | Total number. | Number of institutions maintained, income and expenditure. — Educational. Number of institutions. | Educational. Income. | Educational. Expenditure. | Medical and Public Health. Number of institutions. | Medical and Public Health. Income. | Medical and Public Health. Expenditure. |
|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | | | RS. IN LAKHS. | RS. IN LAKHS. | | RS. IN LAKHS. | RS. IN LAKHS. |
| 1935–36 | 30 | 17,559 | 122·17 | 142·08 | 1,141 | 4·76 | 34·53 |
| 1936–37 | 39 | 17,096 | 124·57 | 137·61 | 1,143 | 4·20 | 33·12 |
| 1937–38 | 35 | 16,629 | 130·75 | 143·58 | 1,158 | 3·59 | 33·59 |
| 1938–39 | 24 | 16,390 | 133·58 | 149·37 | 1,193 | 2·99 | 33·90 |
| 1939–40 | 24 | 16,291 | 132·79 | 149·65 | 1,215 | 3·66 | 34·72 |
| 1940–41 | 24 | 16,012 | 134·65 | 152·10 | 1,269 | 3·51 | 35·09 |
| 1941–42 | 24 | 15,023 | 149·78 | 158·35 | 1,249 | 3·53 | 37·65 |
| 1942–43 | 24 | † 14,775 | 158·78 | 165·77 | 1,226 | 3·99 | 37·77 |
| 1943–44 | 24 | 14,721 | 168·80 | 177·22 | 1,209 | 4·64 | 36·23 |
| 1944–45 | 24 | 14,787 | 201·14 | 219·59 | 1,206 | 5·73 | 40·62 |
| 1945–46 | 24 | 15,004 | 262·30 | 279·34 | 1,234 | 6·15 | 47·45 |
| 1946–47 | 24 | 15,261 | 302·77 | 319·48 | 1,266 | 6·28 | 49·23 |
| 1947–48 | 24 | 15,313 | 327·29 | 380·43 | 1,219 | 6·25 | 55·61 |
| 1948–49 | 24 | 15,571 | 407·18 | 448·92 | 1,301 | 7·27 | 75·30 |
| 1949–50 | 25 | 15,534 | 433·80 | 475·75 | 1,342 | 7·98 | 71·58 |
| 1950–51 | 25 | 15,656 | 450·31 | 493·33 | 1,378 | 7·70 | 79·68 |
| 1951–52 | 25 | 16,034 | 468·66 | 535·44 | 1,392 | 9·76 | 84·56 |
| 1952–53* | 13 | 8,571 | 275·37 | 313·84 | 731 | 6·79 | 57·68 |
| 1953–54* | 13 | 8,812 | 301·77 | 325·81 | 737 | 7·07 | 57·72 |
| 1954–55* | 13 | 11,614 | 323·97 | 328·72 | 743 | 7·82 | 56·85 |

| Year. | Number of institutions maintained, income and expenditure—cont. Remunerative Enterprises. | | | Land cess. | Profession tax. | Entertainments tax. | §Surcharge on stamp duty. |
|---|---|---|---|---|---|---|---|
| | Number of institutions. | Income. | Expenditure. | | | | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
| | | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. |
| 1935–36 | 3,361 | 57·82 | 36·04 | | (Figures not available.) | | .. |
| 1936–37 | 3,085 | 42·10 | 26·29 | 86·45 | 0·88 | 0·08 | .. |
| 1937–38 | 2,998 | 31·87 | 17·96 | 80·83 | 0·95 | 0·13 | .. |
| 1938–39 | 2,827 | 56·65 | 48·76 | 81·31 | 0·92 | 0·01 | .. |
| 1939–40 | 2,821 | 34·01 | 17·56 | 78·51 | 0·93 | 0·10 | .. |
| 1940–41 | 2,750 | 26·13 | 16·73 | 84·30 | 1·07 | 0·21 | .. |
| 1941–42 | 2,720 | 30·30 | 14·55 | 84·69 | 1·15 | 0·08 | .. |
| 1942–43 | 2,812 | 34·22 | 14·37 | 83·74 | 1·56 | 0·14 | .. |
| 1943–44 | 2,714 | 39·94 | 18·01 | 81·80 | 1·29 | 0·14 | .. |
| 1944–45 | 2,809 | 46·93 | 9·20 | 82·90 | 1·41 | 0·06 | .. |
| 1945–46 | 2,859 | 44·94 | 9·79 | 109·09 | 1·58 | 0·50 | .. |
| 1946–47 | 2,837 | 42·81 | 10·93 | 112·41 | 1·73 | 1·39 | 21·39 |
| 1947–48 | 2,877 | 58·95 | 13·87 | 123·59 | 2·83 | 1·99 | 46·17 |
| 1948–49 | 2,800 | 65·56 | 22·09 | 119·34 | 2·03 | 3·06 | 97·77 |
| 1949–50 | 2,781 | 54·61 | 19·28 | 106·17 | 7·73 | 3·89 | 69·00 |
| 1950–51 | 1,315 | 72·59 | 27·37 | 105·30 | 1·85 | 4·91 | 89·85 |
| 1951–52 | 1,197 | 64·07 | 23 62 | 99·17 | 2·05 | 2·95 | 106·40 |
| 1952–53* | 905 | 46·25 | 20 49 | 55·92 | 1·52 | 2·37 | 55·75 |
| 1953–54* | 863 | 54·67 ‡ | 11 95 | 56 89 | 1·50 | 1·25 | 47·77 |
| 1954–55* | 899 | 35·90 | 10 38 | 61 25 | 1·35 | 1·94 | 44·16 |

* Figures relate to the Madras State as it now stands after the separation of the Andhra State.

† The fall in number is due to the closure of uneconomic and inefficient elementary schools during 1942–43.

‡ Includes compensation paid by Government of India for Tirunelveli-Tiruchendur Railway.

# THE MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958 (MADRAS ACT XVIII OF 1958).

*(As modified up to the 15th May 1960.)*

The Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958).

PREAMBLE.

SECTIONS.

1 Short title, extent and commencement.

2 Definitions.

3 Districts.

4 Establishment of District Development Councils.

5 Functions of District Development Councils.

6 Meetings of District Development Council.

7 Vacancy in District Development Council, etc., not to invalidate acts or proceedings.

8 Appointment of Standing Committees.

9 Staff of District Development Council.

10 General powers of District Development Councils.

11 Annual report.

12 Returns and Reports.

13 Protection of action taken in good faith.

14 Power to make rules.

STATEMENT OF OBJECTS AND REASONS.

# THE MADRAS DISTRICT DEVELOPMENT COUNCIL'S ACT (MADRAS ACT XVIII OF 1960).

*(As modified up to the 15th May 1960.)*

*An Act to provide for the constitution of District Development Councils in the State of Madras.*

WHEREAS it is expedient to provide for the constitution of District Development Councils in the State of Madras;

BE it enacted in the Ninth Year of the Republic of India as follows :—

1. *Short title, extent and commencement.*—(1) This Act may be called the Madras District Development Councils Act, 1958.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force on such date * as the Government may, by notification, appoint.

2. *Definitions.*—In this Act, unless the context otherwise requires—

(1) " district " means the revenue district referred to in sub-section (1) of section 3 or the local area constituted into a district under sub-section (2) of that section as altered by the notifications, if any, issued under sub-section (3) of the same section;

(2) " Government " means the State Government:

(3) " panchayat " and " panchayat union council " have the meanings assigned to them under the law for the time being in force relating to their constitution;

(4) a person is deemed to have his " residence " or to " reside " in any house if he sometimes uses any portion thereof as a sleeping apartment, and a person is not deemed to cease to reside in any such house merely because he is absent from it or has elsewhere another dwelling in which he resides, if he is at liberty to return to such house at any time and has not abandoned his intention of returning;

(5) " revenue district " means any local area which for the purposes of revenue administration is under the charge of a District Collector;

(6) " year " means the financial year.

3. *District.*—(1) Save as otherwise provided in this section, every local area which on the date of the commencement of this Act is a revenue district shall be deemed to be a district for the purposes of this Act.

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* The Act came into force on the 1st day of December 1959.

(2) The Government may, in special circumstances, by notification, declare any compact local area in a revenue district or in more than one revenue district, to be district for the purposes of this Act and specify the name of the district.

(3) The Government may, by notification,—

(i) exclude from any district any local area comprised therein; or

(ii) include in any district any local area contiguous to it; or

(iii) cancel or modify a notification issued under sub-section (2); or

(iv) alter the name of any district.

(4) Before issuing a notification under sub-section (2) or sub-section (3), the Government shall give the District Development Council or District Development Councils which will be affected by the issue of such notification a reasonable opportunity for showing cause against the proposal and consider the explanations and objections, if any, of such District Development Council or District Development Councils.

(5) Every notification issued under sub-section (2) or sub-section (3) shall contain a statement of the reasons therefor.

4. *Establishment of District Development Councils.*—(1) Government may, by notification and with effect from such date as may be specified therein, cause to be established for any district a District Development Council consisting of the following members, namely :—

(*a*) The District Collector, *ex-officio;*

(*b*) Members of Parliament and Members of the State Legislature chosen to represent a constituency which consists of, or comprises, or which relates to, the district or any portion thereof or who reside in the district;

(*c*) all chairmen of panchayat union councils in the district and until a panchayat union council is constituted for any local area in the district, a person chosen in the prescribed manner by the presidents of panchayats in that area :

Provided that no person shall be so chosen unless his name appears in the electoral roll for any of the panchayats in the area;

(*d*) all chairmen of municipal councils in the district;

(*e*) presidents of Co-operative Central Banks in the district;

(*f*) such Gazetted Officers of the Government connected with planning and execution of development schemes in the district as are nominated by the Government.

If the district comprises of parts of two or more revenue districts, the Government may, by notification, declare which officer shall be considered to be the District Collector in respect of that district for the purposes of this Act.

(2) The District Collector referred to in sub-section (1) shall be the Chairman of the District Development Council.

(3) (*a*) No Member of Parliament and no Member of a State Legislature shall be a member of more than one District Development Council.

(*b*) A Member of Parliament or a Member of the State Legislature chosen to represent a constituency which consists of, or comprises or which relates to a district or any portion thereof other than a district in which he has his residence shall decide as to the district in which he desires to serve as a Member of the District Development Council and intimate his decision to the District Collector concerned within such period as may be prescribed.

(4) Where a person ceases to be a Member of Parliament or a Member of the State Legislature or the Chairman of a Panchayat Union Council or President of a Co-operative Central Bank or the chairman of a municipal council in the district, he shall cease to be a member of the District Development Council from the date on which he ceases to be such member or chairman or President.

5. *Functions of District Development Councils.*—(1) The District Development Council shall advice the Government on all matters concerning the activities of panchayats, panchayat union councils and municipal councils in the district, as well as on all matters relating to the development of the economic resources of the district and the services maintained therein for promoting the culture and welfare of the inhabitants of the district.

(2) In particular, it shall be the duty of the District Development Council to perform the following functions, namely :—

(*a*) Advising the Government on all matters relating to the services maintained by and all development schemes undertaken by all local authorities in the district as well as those agencies in the district, which are under the administrative control of the Government in the following departments, namely :—

(i) Food and Agriculture,

(ii) Industries, Labour and Co-operation,

(iii) Public Works, and

(iv) Health, Education and Local Administration;

(*b*) watching the progress of the measures undertaken by the Government, local authorities and departmental agencies in respect of the services and development schemes aforesaid.

(*c*) advising the Government on matters concerning the implementation of any provision of law or any order specifically referred by the Government to the District Development Council, such as—

(i) classification of markets as panchayat markets and panchayat union markets and fixing rates of contribution payable by one authority to the other;

(ii) classification of fairs and festivals as panchayat fairs, panchayat festivals and panchayat union fairs and panchayat union festivals;

(iii) classification of public roads (other than roads classified by the Government as National Highways, State Highways and major district roads) as panchayat union roads and village roads;

(*d*) advising the Government on all matters relating to development of road transport.

6. *Meetings of District Development Council.*—(1) The District Development Council may meet as often as may be necessary and shall, subject to the provisions of sub-sections (2) and (3), observe such rules of procedure in regard to transaction of business at its meetings (including the quorum at meetings) as may be prescribed by the Government under this Act, provided that not more than three months shall elapse between one meeting of the District Development Council and another.

(2) The Chairman of the District Development Council or in his absence any member nominated by him in that behalf shall preside at a meeting of the District Development Council.

(3) All questions at a meeting of the District Development Council shall be decided by a majority of the votes of the members present and voting and in the case of an equality of votes, the Chairman of the District Development Council, or in his absence the person presiding, shall have a second or casting vote:

Provided that a member of the District Development Council who is an Officer of the Government shall have a right to take part in the discussions, but shall not have a right to vote at a meeting of the Council, and shall not be a member of the Council for any other purpose.

7. *Vacancy in District Development Council, etc., not to invalidate acts or proceedings.*—No act or proceedings of the District Development Council shall be deemed to be invalid by reason only of the existence of any vacancy in the District Development Council or any defect in the nomination of a member thereto.

8. *Appointment of Standing Committees.*—(1) (*a*) For the purpose of assisting the District Development Council in exercising such of its powers, discharging such of its duties and performing such of its functions as may be specified by the Government, a District Development Council may, and, if so, required by the Government shall constitute standing committees for dealing with—

(i) Food and Agriculture,

(ii) Industries and Labour,

(iii) Public Works,

(iv) Education,

(v) Health and Welfare including prohibition.

(*b*) A District Development Council may constitute additional standing committees for such purposes as the District Development Council thinks fit.

(2) Each standing committee referred to in sub-section (1) shall consist of such number of Gazetted Officers of the Government as are nominated by the Government from out of the members of the District Development Council :

Provided that it shall be open to the Government to nominate the same person to more than one standing committee.

(3) The other members of the District Development Council shall be chosen to the standing committee in such manner as may be prescribed :

Provided that the same person shall not be a member of more than one standing committee :

Provided further that it shall be open to a person who has been chosen as a member of one standing committee to opt to serve as a member of another standing committee in the place of a member of such committee with the consent of such other member and for such period as may be mutually agreed upon.

(4) In addition to the members nominated under sub-section (2) or chosen under sub-section (3), the Government may appoint as a member of a standing committee any person, who in

their opinion possesses special knowledge and experience in matters that may come up before the District Development Council although he is not a member of the District Development Council or the District Development Council may invite any such person to serve as a member of a standing committee :

Provided that the number of members so appointed by the Government shall not exceed two in respect of any standing committee.

(5) The members of a standing committee who are not members of the District Development Council shall have the right to attend the meetings of the standing committee and take part in the discussions thereat but they shall not have the right to vote at such meetings.

(6) Each standing committee shall elect its own chairman from among its members who are members of the District Development Council.

(7) The members of the standing committee nominated, chosen or appointed, as the case may be, under this section shall cease to hold office at the end of each year and the members of the standing committee for the ensuing year shall be nominated, chosen or appointed, as the case may be, before the expiry of the year but shall not enter upon office until the commencement of the ensuing year.

(8) The District Development Council shall lay down by regulations the procedure for the functioning of the standing committees.

9. *Staff of District Development Council.*—Subject to such control as may be prescribed, the District Collector may, for the purpose of enabling the District Development Council to efficiently perform its functions or exercise its powers under this Act, appoint such officers as he may think fit and determine their functions.

10. *General powers of District Development Councils.*—For the purpose of efficiently performing its functions under this Act, every District Development Council may, within the limits of its jurisdiction—

(*a*) undertake such measures as it deems necessary;

(*b*) collect such data as it deems necessary;

(*c*) publish statistics or other information relating to the various aspects of the regulation or development of the activities of municipal councils, panchayat union councils and panchayats in the district;

(*d*) require any municipal council, panchayat union council or panchayat to furnish such information as may be required by it in relation to the measures undertaken by that municipal council, panchayat union council or panchayat for the regulation or development of its activities and such other matters as may be prescribed.

11. *Annual report.*—(1) The District Development Council shall prepare in such form and at such time each year as may be prescribed, an annual report giving a true and full account of its activities during the previous year and copies thereof shall be forwarded to the Government.

(2) The Government shall lay on the table of both Houses of the Legislature all such reports together with their comments thereon.

12. *Returns and Reports.*—Every District Development Council shall furnish to the Government such returns, statistics, and other information with respect to its activities as the Government may from time to time require.

13. *Protection of action taken in good faith.*—No suit or other legal proceeding shall lie against any member or officer of a District Development Council or of any standing committee in respect of anything which is in good faith done or intended to be done in pursuance of this Act.

14. *Power to make rules.*—(1) The Government may, by notification, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

(*a*) the allowances of members of the District Development Council;

(*b*) the matters in respect of which a District Development Council may require a municipal council, panchayat union council or panchayat to furnish information;

(*c*) the form in which, and the time within which, the annual report of the District Development Council may be prepared and forwarded to the Government;

(*d*) the returns and information which a District Development Council may be required to furnish to the Government;

(*e*) the manner of recruitment of the officers of a District Development Council and the terms and conditions of service of such officers;

(*f*) regulating the meetings of the District Development Council and the procedure for conducting meetings thereat;

(*g*) regulating the manner in which and the purposes for which, standing committees may be appointed;

(*h*) any other matter which has to be or may be, prescribed.

(3) All rules made and all notifications issued under this Act, shall, as soon as possible after they are made, be placed on the table of both Houses of the Legislature and shall be subject to such modifications by way of amendments or repeal as the Legislative Assembly may make within fourteen days on which the House actually sits either in the same session or in more than one session.

## STATEMENT OF OBJECTS AND REASONS.

One of the provisional conclusions of Government embodied in the "White Paper on the Reform of Local Administration in Madras State including the Madras City Corporation" is that the existing revenue districts should be delimited into Development districts and that a District Development Council should be formed for each such Development district, as a permanent machinery for providing an advisory association of the elected representatives of the local people with departmental agencies of the Government. The Committee on Plan Projects set up by the Planning Commission has also recommended the creation of such an advisory body at the district level as part of a three tier system of local administration. The White Paper contains proposals for the tentative delimitation of Development districts.

**2.** The composition of the District Development Councils will be almost the same as the existing District Planning Boards with the addition of Chairmen of the proposed panchayat union councils in the district. It is proposed to abolish certain advisory bodies, including the District Planning Boards, now functioning in the districts and to transfer all their functions to the District Development Councils. Standing Committees will be constituted to assist the District Development Councils in exercising their powers, and discharging their duties and functions.

# RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958—CHOOSING BY PRESIDENTS OF PANCHAYATS OF A MEMBER TO A DISTRICT DEVELOPMENT COUNCIL—ISSUED.

NOTIFICATION.

In exercise of the powers conferred by clause (c) of sub-section (1) of section 4 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), the Governor of Madras hereby makes the following rules :—

## RULES REGARDING THE CHOOSING BY PRESIDENTS OF PANCHAYATS OF A MEMBER TO A DISTRICT DEVELOPMENT COUNCIL.

1. In these rules—

(i) '*Election Officer*' means the Block Development Officer in the case of a development block for which a Block Development Officer has been appointed and is in charge of the blocks; and in all other cases the Tahsildar or the Deputy Tahsildar in independent charge as the case may be;

(ii) '*Local area*' means the area delimited as a Development block under the Community Development Programme.

2. (1) The meeting for choosing a person as a member of a District Development Council by the presidents of panchayats in any local area for which there is no panchayat union council shall be convened by the Election Officer.

(2) Not less than ten clear days before the date fixed for choosing a member to the District Development Council, the Election Officer shall prepare and publish in the manner specified in sub-rule (3) a notice in English and Tamil—

(*a*) calling for nomination of candidates for being chosen as a member of the District Development Council; and

(*b*) calling on all presidents of panchayats in that area to assemble on the date of the meeting at the time and place specified in the notice.

(3) The notice shall be published by affixing a copy thereof in the office, if any, of every panchayat in the area and in not less than two conspicuous places in the area within the jurisdiction of each of the panchayats in the area. It shall also be published by beat of drum in the area.

(4) The meeting referred to in sub-rule (1) shall be presided over by the Election Officer.

3. Every candidate must be nominated in writing and the nomination paper must be signed by two presidents of panchayats in the area as proposer and seconder. The proposer shall, when proposing the name of any candidate, deliver to the Election Officer a declaration in writing expressing the candidate's willingness to be chosen as a member of the District Development Council, signed by the candidate and by the proposer and the seconder.

4. The Election Officer shall *suo motu* or on objection taken by any of the presidents of panchayats present at the meeting, reject the nomination of any candidate on any of the following grounds, viz. :—

(i) That the candidate is a village headman, karnam or village servant or an officer or servant of the State or Central Government or of a panchayat, panchayat union council, municipal council or the Corporation of Madras.

(ii) that the candidate is a person who has been convicted of an offence punishable under Chapter IX-A of the Indian Penal Code (Central Act XLV of 1860), or under any law or rule relating to the infringement of the secrecy of an election and five years have not elapsed from the date of his conviction;

(iii) that the candidate is—

(*a*) of unsound mind, a deaf-mute or suffering from leprosy;

(*b*) an applicant to be adjudicated an insolvent or an undischarged insolvent; and

(*c*) an honorary Magistrate under the Code of Criminal Procedure, 1898 (Central Act V of 1898), with jurisdiction over any part of the village or town, in the local area.

5. The Election Officer shall read out the names of the candidates whose nominations have been accepted by him and the following provisions shall apply in respect of such candidates.

6. If there is only one candidate duly nominated, there shall be no ballot and the Election Officer shall declare such candidate to be duly chosen as a member of the District Development Council.

7. If the number of candidates is more than one, the votes of the presidents of panchayats present at the meeting (hereinafter called " voters ") shall be taken by ballot in the manner laid down in the following rules.

8. The Election Officer shall provide in the place where the meeting is held a voting compartment in which the voters can record their votes screened from observation. The Election Officer shall also place a ballot box for the receipt of ballot papers in the view of the Election Officer and the voters. The ballot box shall be so constructed that the ballot papers can be introduced therein but cannot be withdrawn therefrom without the box being unlocked or opened.

9. The Election Officer shall, immediately before the votes are taken, show the ballot box empty to such voters as may be present so that they may see that it is empty and shall then lock it up, and place a seal upon it in such a manner as to prevent its being opened without breaking such seal.

10. Every voter wishing to vote shall be supplied with a ballot paper on which the names of all the candidates shall be legibly written in the following form in English and in Tamil.

*Ballot Paper.*

District Development Council.

*Names of candidates duly nominated for election as member of the District Development **Council**.*

A

B

C

D

*Election Officer.*

The ballot paper shall be signed by the Election Officer before being handed over to the voter.

11. The voter shall, on receiving the ballot paper, proceed to the voting compartment for the purpose of recording his vote and put a cross mark on the bollot paper against the name of the candidate for whom he wishes to vote. He shall, before quitting the voting compartment, fold up the ballot paper so as to conceal the mark and put the ballot paper so folded up into the ballot box in the presence of the Election Officer.

12. The Election Officer shall cause such arrangements to be made as will ensure the secrecy of the ballot and prevent the voters who have already voted from having access to the voters who are yet to vote.

13. (1) If, owing to illiteracy or blindness or other physical infirmity, a voter is unable to read the ballot paper and make a mark thereon, and applies for assistance in doing so, the Election Officer shall record the vote in the ballot paper in accordance with the wishes of the voter and fold it up so as to conceal the vote.

(2) The voter shall then himself or with the assistance of the Election Officer insert the ballot paper into the ballot box.

(3) While acting under this rule the Election Officer shall observe as much secrecy as is feasible and shall keep a brief record of each such instance but shall not indicate therein the manner in which any vote has been given.

14. After the voting by the voters is over, the Election Officer shall open the ballot box in the presence of the voters present take out the ballot papers therefrom and record the number of votes obtained by each candidate in a statement.

15. A ballot paper shall be invalid on which—

(*a*) there is no cross-mark; or

(*b*) a cross-mark is set opposite the name of more than one candidate or is so placed as to render it doubtful to which candidate it is intended to apply; or

(*c*) a cross-mark and some other mark are set opposite the name of the same candidate; or

(*d*) any mark is made by which a voter may afterwards be identified.

16. The candidate who obtains the largest number of votes shall be declared to have been duly chosen. If there be an equality of votes between any two or more candidates and the addition of one vote to any one of such candidates will entitle him to be declared duly chosen, the Election Officer shall decide by drawing lots in the presence of the voters to which one of such candidates such additional vote shall be deemed to have been given.

17. Immediately after the meeting, the Election Officer shall prepare a record of the proceedings of the meeting and sign it, attesting with his initials every correction made therein; and also permit any voter to affix his signature to such record, if he expresses his desire to do so; and forward a copy of such record to the District Collector.

(G.O. Ms. No. 1993, L.A., dated 27th November 1959.)

## RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958—PERIOD WITHIN WHICH A MEMBER OF PARLIAMENT OR A MEMBER OF THE STATE LEGISLATURE SHOULD INTIMATE HIS DECISION TO SERVE ON A PARTICULAR DISTRICT DEVELOPMENT COUNCIL ISSUED.

NOTIFICATION.

In exercise of the powers conferred by clause (b) of sub-section (3) of section 4 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), the Governor of Madras hereby makes the following rules :—

RULE.

*Period within which a Member of Parliament or a Member of the State Legislature should intimate his decision to serve on a particular District Development Council.*

A Member of Parliament or a Member of the State Legislature chosen to represent a constituency which consists of, or comprises or which relates to a district or any portion thereof other than a district in which he has his residence shall intimate his decision as to the district in which he desires to serve as a Member of the District Development Council to the District Collector concerned within fifteen days of the publication of the notification under section 3(2) of the said Act.

## RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958—PAYMENT OF TRAVELLING ALLOWANCE TO MEMBERS OF DISTRICT DEVELOPMENT COUNCILS AND COMMITTEES—AMENDMENT TO RULES—ISSUED.

NOTIFICATION.

In exercise of the powers conferred by clause (a) of sub-section (2) of section 14 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), the Governor of Madras hereby makes the following amendment to the rules for the payment of travelling allowance to members of District Development Councils and their Standing Committees published with Rural Development and Local Administration Department (Local Administration) Notification S.R.O. No. B. 481 of 1960, dated the 26th March 1960, published at pages 35–36 of the Rules Supplement to Part I-A of the *Fort St. George Gazette*, dated the 13th April 1960 :—

AMENDMENT.

In clause (ii) (a) of rule 3 of the said rules for item (2), the following item shall be substituted, namely :—

"(2) (A) Mileage admissible between places not connected by rail but by regular public motor transport—*three annas;*

(B) Mileage admissible between places connected neither by rail nor public motor transport—*six annas*".

(G.O. No. 1703, L.A., dated 13th October 1960.)

## RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958—PROCEDURE IN REGARD TO TRANSACTION OF BUSINESS AT MEETINGS OF THE COUNCILS—ISSUED.

### NOTIFICATION.

In exercise of the powers conferred by sub-sections (1) and (2) of section 14 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Procedure in regard to transaction of business and conduct of meetings of District Development Councils.*

1. The District Development Council (hereinafter referred to as "the council") shall meet at the place specified by the Chairman of the Council (hereinafter referred to as "the Chairman") upon such days and at such times as it may arrange and also at other times as often as a meeting shall be called by the Chairman.

2. (1) No meeting shall be held unless notice of the day and time when the meeting is to be held and of the business to be transacted thereat has been given at least *ten* clear days before the day of the meeting.

(2) In cases of urgency, the Chairman may convene a meeting on giving shorter notice than that specified in sub-rule (1).

(3) The agenda for the meeting shall be prepared by the Chairman. Any member who wishes to have any subject included in the agenda or move any resolution shall intimate his intention by notice in writing to the Chairman and such notice shall contain a copy of the subject or resolution which he wishes to include or move. Subjects or resolutions contained in notices received twenty clear days before the date of meeting shall ordinarily be considered for inclusion in the agenda for that meeting. The Chairman shall decide on the admissibility of the subject or resolution and shall disallow any subject or resolution, if it in his opinion contravenes the provisions of Madras Act XVIII of 1958 or the rules made thereunder and his decision shall be final. Any subject or resolution admitted by the Chairman shall be included in the notice for the meeting. On any subject or resolution included in the agenda, the Chairman shall have the right of recording his views in a note and such note shall be circulated to the members or placed before the Council before or at the time of the consideration of such subject by the Council :

Provided that a supplemental agenda may be brought by the Chairman before the Council for consideration at ordinary meetings with the consent of the majority of members present at the meeting who are entitled to vote.

3. All meetings of the Council shall be open to the public, provided that the Chairman or the member nominated by him to preside at the meeting, may, and at the request of the Council

shall, in any particular case, for reasons to be recorded in the minute book kept under rule 6, direct that the public generally or any particular person, shall withdraw.

4. No business shall be transacted at a meeting unless there be present at least one-third of the number of members then on the Council.

5. If within half an hour after the time appointed for a meeting a quorum is not present, the meeting shall stand adjourned.

6. The minutes of the proceedings of each meeting of the Council shall be drawn up and entered in a book to be kept for that purpose and shall be signed by the Chairman or in his absence by the member presiding thereat. A copy of the proceedings of the meeting containing a fair summary of views expressed by the members present shall also be drawn up and a copy of the same published on the notice board of the office of the Council. A copy of the minutes of the proceedings shall also be communicated to the members of the Council.

7. The Chairman or any person authorized by him in this behalf shall have the custody of the proceedings and records of the Council and may grant copies of any such proceedings and records on payment of such fees as the Government may, be order, fix from time to time. Copies shall be certified by the Chairman or any officer authorized by him in this behalf.

**(G.O. No. 1875, L.A., dated 30th November 1960.)**

## RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958—PERIOD WITHIN WHICH A MEMBER OF PARLIAMENT OR A MEMBER OF STATE LEGISLATURE SHOULD INTIMATE HIS DECISION TO SERVE ON A PARTICULAR DISTRICT DEVELOPMENT COUNCIL—AMENDMENT—ISSUED.

**NOTIFICATION.**

In exercise of the powers conferred by clause (*b*) of sub-section (3) of section 4 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), and in supersession of the rule relating to the period within which a Member of Parliament or a Member of the State Legislature should intimate his decision to serve on a particular District Development Council, published with the Rural Development and Local Administration Department Notification S.R.O. No. B. 1126 of 1959, dated the 27th November 1959, at page 3 of the Extraordinary issue of Part I-A of the *Fort St. George Gazette*, dated the 30th November 1959, the Governor of Madras hereby makes the following rule :—

**RULE.**

The period within which a Member of Parliament or a Member of the State Legislature chosen to represent a constituency which consists of, or comprises or which relates to a district

or any portion thereof other than a district in which he has his residence shall decide as to the district in which he desires to serve as a Member of the District Development Council and intimate his decision, to the District Collector concerned, shall—

(i) if he is a person chosen as a member of Parliament or of the State Legislature before the date of the publication of the notification under sub-section (2) of section 3 of the said Act, be fifteen days from the date of such publication; and

(ii) in any other case, be fifteen days from the date on which he is declared duly elected, as a Member of Parliament or of the State Legislature.

(G.O. No. 1545, L.A., dated 17th September 1950.)

## RULES—MADRAS DISTRICT DEVELOPMENT COUNCILS ACT 1958—PAYMENT OF TRAVELLING ALLOWANCE TO MEMBERS OF DISTRICT DEVELOPMENT COUNCILS AND COMMITTEES—ISSUED.

### NOTIFICATION.

In exercise of the powers conferred by clause (a) of sub-section (2) of section 14 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Payment of travelling allowance to members of District Development Councils and their Standing Committees.*

1. These rules may be called the Madras District Development Councils (Payment of Travelling Allowance to Members) Rules, 1960.

2. In these rules—

(i) the 'Act' means the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958) :

(ii) 'Council' means the District Development Council established for a district under the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958);

(iii) 'Committee' means any Standing Committee constituted under section 8 of the Act.

3. Every member who attends a meeting of the Council or Committee shall be entitled to travelling and daily allowances—

(i) if he is an officer of the Government, at the rates prescribed in the Madras Travelling Allowance Rules in Part II of the Madras Manual of Special Pay and Allowances, Volume I, and

(ii) (*a*) if he is not an officer of the Government, at the following rates :—

| | |
|---|---|
| (1) Railway fare admissible for journeys by rail. | Single first class fare plus deily allowance. |
| (2) Mileage admissible for journeys by road. | Six annas. |
| (3) Daily allowance for halts at a place not being place of residence or not within a radius of five miles from residence. | Rupees six. |
| (4) Daily allowance for halts at a place within a radius of five miles residence. | Rupees three and naye Paise fifty only. |

(*b*) Non-official members of the Council or any Committee need not produce certificates that they travelled by the class by which travelling allowance is claimed. Such certificates need not be insisted on in passing the claim.

(*c*) The above rates of travelling allowance, mileage and daily allowance will apply also to non-official members when they are deputed on an enquiry or inspection either singly or in a committee.

4. (1) When any non-official member of the Council or Committee claims travelling allowance or daily allowance for journeys or halts made for any business connected with a meeting of the Council or the Committee, the claim shall be preferred to the District Collector in the form specified in that behalf by him.

(2) Claim for travelling and daily allowance shall be preferred by a non-official member within a period of six months from the date of completion of journey for which the claim is preferred.

(3) Official members shall draw their travelling and daily allowances from the source from which they draw their pay, in the usual course.

(4) In preferring the claim against the Government a certificate that a member has not claimed or drawn any travelling or daily allowance from any other source for the same period shall be furnished by him in the bill.

5. (1) The claim for travelling and daily allowances of non-official members shall after scrutiny and counter-signature by the District Collector or any person authorized by him in this behalf be returned to the member concerned for encashment.

(2) Before countersigning the travelling allowance bills of members of the State Legislature, the District Collector or any person authorised by him in this behalf should ascertain from the Legislature (Assembly) Department or the Legislature (Council) Department as the case may be, whether the members concerned have been paid any allowances for the same journeys and period for which travelling allowance is claimed in their bills and the Legislature Department shall, after satisfying itself that no such payment has been made, furnish a certificate of non-payment when such bills are referred to it.

(G.O. No. 561, L.A., dated 26th March 1960.)

## Instructions issued under the District Developement Council Act.

### DISTRICT DEVELOPMENT COUNCILS—THEIR ROLE IN THE IMPLEMENTATION OF THE MADRAS PANCHAYATS ACT, 1958—ACTIVISATION—INSTRUCTIONS ISSUED.

(G.O Ms. No. 224, Rural Development and Local Administration, dated 25th January 1961.)

The following is the specification of tasks to be completed between now and May 1961 in order to implement the Madras Panchayats Act in the next phase :—

(i) Stabilisation of the first batch of Panchayat Unions, including the settlement of the First Year Budget and First Year Programmes.

(ii) Inauguration of the second batch of Panchayat Unions.

(iii) Formulation of Panchayat Development Block Schematic Budget of Village Agricultural Production Budget for all three batches of Blocks.

(iv) Implementation of the order on formulation Plans in the first batch of Panchayat Unions (G.O. 3092, Food and Agriculture Department, dated the 16th November 1960).

(v) Implementation of the order on Family Planning (G.O. No. 2011, Education and Public Health Department, dated the 17th August 1960).

2. An effective Education programme is called for if the above tasks are to be successfully tackled. Both the officials and -non-officials should be enabled to have a clear and comprehensive understanding of the Government orders issued on the above subjects. The procedural steps involved in their implementations have to be detailed and explained to them so that every offical and non-official who has a role to play in the implementation of the above tasks has a clear cut idea of the objectives involved in the operation and what he has to do to achieve them.

3. The number of officials and non-officials involved in these operations from such a large number that the Education programme has to be stratified in order to be effective and this stratification has to follow the established formations in the development set up. The Education programme has, therefore, to be organised at the district level, the block level and the village level. In addition, it is essential to establish and maintain an efficient line of communication which will transmit the Government orders down to each village and transmit information on the action taken on the orders back to the district headquarters. This line of communication has to be through the District Development Council through the Block Advisory Committees to the Panchayats. The pyramidal structure in which these organisations have been fitted

in (the Panchayat Presidents forming the Block Advisory Committees and the Block representative being represented in the Development Council readily lends itself to this purpose. Therefore, it is proposed to make the District Development Councils, the Block Advisory Committees and the Panchayats collectively and severally in their own spheres, responsible for the education programme and for guiding and reviewing the implementation of the five-fold programme outlined in paragraph above.

4. On the non-official side the members of the District Development Councils which include the Panchayat Union Chairmen, the members elected from the Blocks as well as legislators have to be oriented at the district level. This has to be followed by the non-official members in their turn instructing Block Advisory Committee members with the assistance of the Block staff. The Panchayat Presidents who receive this orientation are expected to explain the Government orders to the Panchayat members and the village people. On the official side a similar training programme has to be followed. The Revenue Divisional officers and the District officials should receive suitable instruction from the Collector and they in their turn have to train the Block Development Officers and extension staff. The Block Development Officer and the extension officers have to train the Gramasevaks and village officers.

5. This training has to be carried out as an integral part of the process of carrying out the five-point programme set out in paragraph 1 above. It has, therefore, to be completed by February 1. The Block Level Study Camps to be held for the second batch of Panchayat Unions can be conveniently synchronised with this general training programme. In the case of the first and third batch of Blocks, Block Advisory Committee meetings of one or two days duration may be held for this purpose.

It will be necessary to review the progress in the implementation of these orders at frequent intervals isolate and solve the problems arising in their implementation at various levels and effectively guide the operation.

6. Hence the Government after due consideration issue the following directions :—

(i) Every District Development Council should meet once a month for the next five months.

(ii) At these meetings the relevant Government directives should be discussed in detail in order to make sure that every member understands how they should be implemented during the interval between the successive meetings. Experience gained during the interval should be reviewed, progress assessed and necessary fresh instructions issued in order to remove difficulties and expedite progress.

(iii) The Block Advisory Committee should also meet once a month shortly after the corresponding meetings of District Development Councils. They should discuss and understand the instructions received from the District; review experience and assess the progress made in the implementation of these orders.

(iv) Every month, the proceedings of the District Development Council should be forwarded to Rural Development and Local Administration Department, together with a covering demi-official letter from the Collector to the Chief Secretary, commenting on and supplementing the information contained in the proceedings are finalized. Collectors may offer their comments before these proposals are finalized.

7. Apart from stressing the collective responsibility of the District Development Council for putting through this training programme the role which the individual members of the District Development Council could play should be emphasised. In between two meetings of the District Development Council the members should arrange to have the Block Advisory Committee meeting convened and explain the orders to the Panchayat Presidents. Wherever the block level study camps are to be held the District Development Council member should play a leading role in ensuring the success of the camps. The Panchayat Union Chairman or other Block representatives on the District Development Council should serve personally as an effective link between the Block Advisory Committee and the Development Council.

(G.O. Ms. No. 224 Rural Development and Local Administration dated 25th January 1961.)

DISTRICT DEVELOPMENT COUNCIL, TIRUCHIRAPPALLI—NON-OFFICIAL MEMBERS—ADVANCE OF TRAVELLLING ALLOWANCE—DRAWAL OF—RATIFIED.

The Collector of Tiruchirappalli is informed that advance travelling allowance for journeys on tour is normally admissible only to Government servants according to Article 84 of Madras Financial Code (Volume I). The action of the Collector in having paid the travelling allowance in advance to the members of District Development Council in connection with the District Conference held on 25th September 1960 during Panchayat Development week celegbrations, is irregular. Government, however, ratify his action as a special case.

2. This memorandum is issued with the concurrence of the Finance Department—Vide their U.O. Note No. 33346, Allowances I, dated 25th March 1961.

(Memorandum No. 205-AL1/61-3, L.A., dated 5th April 1961.

## Instructions issued regarding meetings of the new Panchayat Institutions.

MEETINGS OF PANCHAYATS, PANCHAYAT UNIONS AND DISTRICT DEVELOPMENT COUNCILS—INSTRUCTION ISSUED.

The Madras District Development Councils Act, 1958, provides for the creation, at district level, of an advisory body to advise the Government on various matters relating to development. Under the Madras Panchayats Act, 1958, which is now in the process of implementation, Panchayats and Panchayat Unions are being set up at village and block levels to carry out duties assigned to them on the basis of the statute.

2. Furthermore, the Panchayat Union and all the Panchayats of every block have jointly to frame and implement a Five-Year Plan of development for the block; and thus effectively participate in the Third Five-Year Plan of the development of the State. The District Development Councils have to function as clearing houses of the information as well as organs of review and co-ordination of the progress of implementation of the Third Five-Year Plan in the respective development districts.

3. In order to secure efficient transaction of business by District Development Councils, Panchayat Unions and Panchayats at the district, block and village level, the Government have examined the question of formulating instructions designed to secure the necessary degree of uniformity throughout the State. Proposals formulated for the purpose were placed before the conference of Collectors held at Ootacamund in May 1961. On the basis of the discussions at this conference, the Government issue the following instructions:

4. *Ordinary General meetings—District Development Councils.*—The Madras District Development Councils Act, 1958, provides that the District Development Council shall meet as often as necessary provided that not more than three months shall elapse between two meetings of the Council. Under the District Development Councils Act, the responsibility is cast on the Council to advise the State Government on matters relating to development in the development districts. It has, therefore, become necessary that the Government should have before them periodical reviews and suggestions for improvement and implementation of the various development programmes. Taking these requirements into account, the Government direct that the ordinary general meeting of the District Development Council of each district should be held in the alternate months of February, April, June, August, October and December, every year. In every revenue district where there are two District Development Councils, the meetings of both the Councils shall be held in the same six months

specified above. The date for the meeting will be fixed by the Collector and should normally be between the 21st and the last day of the months referred to above.

5. *Ordinary General meetings—Panchayat Union Councils.*—The Madras Panchayats, Act, 1958, provides that the Panchayat Union Council shall meet at such times as may be prescribed provided that not more than sixty days elapse between two meetings of the Council. In view of the very large responsibilities entrusted to the Panrhayat Union, especially under Section 66 of the Madras Panchayats Act, 1958, Government feel that every Panchayat Union should meet regularly once in a month. The date for the meeting will be fixed by the Chairman of the Council. The Chairman of every Panchayat Union Council will be present at the meeting of the District Development Council to report to the District Development Council the progress of work in his block and to bring before the Council any difficulties and problems which are faced in the block in the implementation of various programmes. In order to enable the Chairman to do this efficiently and usefully, the Government feel that it is desirable that the ordinary general meeting of every Panchayat Union Council should be held between the 11th and 20th of each month.

6. *Ordinary General meetings—Panchayats.*—The Madras Panchayat Act, 1958, does not provide any fixed interval within which meetings of the Panchayats are to be held. The rules, however, provide that every Panchayat shall meet once in a month. Here again if the Panchayat meets just before the Panchayat Union Council meeting, the representative of the Panchayat on the Panchayat Union Council will be in a position to ascertain the views of the Panchayat before reporting to the Panchayat Union. In view of this consideration, the Government feel that the meeting of the Panchayat should be held on a date fixed by the Panchayat President which should normally be between the 1st and 10th of every month. Government desire to take this opportunity to emphasise that circulation of papers cannot be a substitute for formal meetings of Panchayats. Meetings of Panchayats should be held in strict accordance with rules. The date and place of meeting should be made known to the village people. The meetings of the Panchayat should be ordinarily open to public. The village people should be encouraged to feel that it is their business which is transacted by the Panchayat and to take active interest in the work of the Panchayat. It is very important for the healthy growth of Panchayats as the planning and development authorities of the villages that the meetings of Panchayats should be conducted properly.

7. *Classification of business.*—Subject to the rules which have been already framed regarding the conduct of business of Pancha-

yats and Panchayat Unions and the District Development Councils, the Government direct that the normal business of these bodies should consist of—

(1) Government prescribed business and

(2) Local Business.

Local Business will include all business other than Government prescribed business. Government prescribed business will consist fo the half-yearly reviews referred to below, and such other business as may be specifically required by Government to be brought before the Council as Government prescribed business.

8. *Government prescribed business for bi-monthly meetings of District Development Councils.*—In respect of District Development Councils, it will be impossible satisfactorily to discuss all matters relating to all departments of the Government at every meeting of the Council. At the same time, it has to be ensured that not too much time is allowed to elapse between two sessions at which the subjects relating to any particular department are brought up for discussion at the District Development Council. With reference to these considerations, the subjects to the brought up before the Council can be grouped under the following three Heads :—

(i) Production programmes (which will include all programmes relating to Agriculture, Animal Husbandry, and Industries and connected matters like Irrigation, Electricity, Loans, Co-operatives, etc).

(ii) Welfare services Programmes (which will include Health, Education, Roads, Water-Supply and all works other than those connected with production);

(iii) Development Administration which will include—

(*a*) the entire working of Panchayat Administration;

(*b*) the administration of Panchayat Development Schematic Budget; and

(*c*) administrative and financial aspects of the implementation of the Five-Year Plan in the district. It should then be possible to earmark the six meetings of the District Development Council during the year for the transaction of Government prescribed business as below :—

| | | |
|---|---|---|
| February session | ... | Half-yearly review of Production Programmes. |
| April session. | ... | Half-yearly review of Welfare Service Programme. |
| June session. | ... | Half-yearly review of Development Administration. |
| August session. | ... | Half-yearly review of Production Programmes. |
| October session. | ... | Half-yearly review of Welfare Service Programme. |
| December session. | ... | Half-yearly review of Development Administration. |

The Collector should submit to the Government a copy of the proceedings of each session immediately after the session is over. The bi-monthly returns thus secured will be consolidated for the whole State and placed before the Development Committee of the Cabinet.

NOTE.—It is not the intention of the Government that the local business transacted at each meeting should be limited in scope to the subject matter of Government prescribed business of that meeting.

9. *Review and rationalization of periodical reviews and returns.*—A large number of reviews and returns are being prepared in the district by various officers of the development departments for submission to the respective departmental heads at the State headquarters, as also for being placed before the District Development Council for its review of the progress of development work. The Government have already issued orders in G.O. Ms. No. 1041, Rural Development, dated 8th December 1960, that periodicals relating to work done by district and block level officers under the Community Development Programme should be placed before the District Development Council for its remarks before being submitted to Government. In respect of all such reports, it has now become necessary to examine and find out whether and if so which of these periodicals can be modified, combined or eliminated without any loss of really useful information at various levels. In order to enable Government to examine which of these periodicals may be modified or eliminated, Government now direct that the Collectors should undertake a detailed examination of all such periodicals, returns and reviews and suggest to Government, not later than 15th August 1961, which of these periodicals and returns may be eliminated. It should, however, be remembered that though the District Development Councils, review of progress will (according to the arrangements indicated in the preceeding paragraphs) be undertaken only once in six months it may nevertheless be necessary in most cases for departmental heads to have more frequent reports than once in six months. The Collectors are requested to submit specific reports to Government in the matter before 15th August 1961.

10. *Standing Committees of District Development Councils.*—(i) Section 8 (1) of the Madras District Development Councils Act, 1958, provides that the District Development Council may, and if so required by the Government shall, constitute Standing Committees for dealing with—

(*a*) Food and Agriculture,

(*b*) Industries and Labour,

(*c*) Public Works,

(*d*) Education, and

(e) Health and Welfare including Prohibition.

The Government now desire that every District Development Council should constitute these five standing committees.

(ii) The Government also direct that these committees will deal with the subjects as detailed below :—

(a) *Food and Agriculture Committee.*—Agriculture—Food Production — Minor Irrigation—Loans — Co-operation — Animal Husbandry—Fisheries—Forests and other items connected with Agriculture.

(b) *Industries and Labour Committee.*—Khadi and Village Industries—Industries—Electricity—Employment—Housing and connected subjects.

(c) *Public Works Committee.*—Major Irrigation—Building Works—Village Works Grant—Roads—Water-supply and connected subjects.

(d) *Education Committee.*—All matters relating to education other than University Education.

(e) *Health and Welfare Committee.*—Medical relief—Public Health—Family Planning—Social Welfare—Harijan Welfare—Prohibition and connected matters.

(iii) Attention is invited to Section 8 and the proviso under Section 8 (3) of the Madras District Development Councils Act, 1958, which lays down that the same person shall not be member of more than one of these standing committees. It would obviously be of advantage while observing this condition if it could also be ensured that every non-official member will have an opportunity to serve on one or other of the statutory standing committees of the District Development Council. The number of non-official members on each of the standing committees may, therefore, be fixed (as nearly as may be) at one-fifth of the total number of non-official members of the District Development Council. The Collectors are authorized to fix the strength of each of the standing committees on this basis.

(iv) The question whether, under Section 8(3) of the District Development Councils Act, statutory rules should be framed regarding the manner in which members of the standing committees of the District Development Council are to be chosen may be prescribed has been examined. This subject was also discussed at the Collector's conference held at Ootacamund. It should be possible to establish a convention by which the Collector as Chairman, could allocate members among the various standing committees of the Council by informal discussion in such a way that the Council as a whole could adopt the arrangement suggested by the Collector unanimously. It has also been indicated that such an arrangement has already been working in some of the districts. The Government therefore desire for the present that the standing committees should be constituted on an agreed basis without formal elections.

(v) The members of the standing committees may find it convenient to combine the trip to the district headquarters for the standing committee meeting with the trips for the meeting of the main council itself. It would, therefore, be advantageous to have the meetings of the standing committee, normally, on the day immediately preceding the day fixed for the meeting of the District Development Council. This is suggested as the normal rule for what may be regarded as the ordinary meeting of each standing committee. There is of course nothing to prevent the standing committee from also meeting, if necessary at some other time independently of the date fixed for the meeting of the council.

11. The Government have examined the question as to who should be the convenor of the statutory standing committees referred to above. Two suggestions have been made in this regard namely :

(i) that the Personal Assistant (Planning and Development) who is at present functioning as the Secretary of the District Development Council should also be the convenor of all the Committees of the Council.

(ii) that the Chief District Officer of the Development department who is most intimately connected with the whole or major part of the work of the particular standing committee should be the convenor of the standing committee. There are advantages as well as disadvantages in adopting either course. The Government therefore, leave this matter to the discretion of the Collector for the present. A review of the arrangements made for this purpose in all the districts will be undertaken one year hence and a uniform procedure for the whole State evolved in the light of experience gained.

12. *Review of the need for continuance of* ad hoc *non-statutory committees.*—The five statutory standing committees referred to above should normally be able to cover all aspects of work in the district. There are, however a number of committees functioning at district level now, which are unrelated to the District Development Council. The intention of the Act is that in respect of all development activities the administrative functions including review and co-ordination, hitherto performed at district level by various *ad hoc* committees should in future be carried out by the District Development Council or by one of its committees. With this general aim in view, the Collectors of the districts should now undertake a detailed examination of the composition of and functions assigned to various *ad hoc* committees in their districts and report in respect of each such committee whether it should not be abolished and its functions transferred either to the District Development Council as a whole or one of its standing committees. In special cases where the Collector feels that this should not be done, the Collector should submit a detailed report

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to Government explaining the reasons why it is necessary to continue such *ad hoc* committees and obtain the orders of Government in the matter. One such committee, which the Government feel should continue to exist as a separate committee for some time, is the Harijan Welfare Committee in view of the special position of Harijan Welfare work. The Collectors are requested to submit a report on this subject not later than 1st August 1961.

13. The Collectors office will provide all Secretarial assistance necessary for the conduct of the District Development Council and its standing committees. The staff for this purpose should be located in the sections of the Collector's office dealing with Panchayat development. The question of suitably reorganising the Collector's office to deal with panchayat development, is engaging the attention of Government and orders on the subject will issue separately.

14. The Government direct that these arrangements be brought into force as expeditiously as possible and put into effect fully not later than the meeting of the District Development Council commencing in August 1961.

(G.O. Ms. No. 1694, R.D. & L.A., dated 16th June 1961.)

## PROGRAMME AND IMPLEMENTATION OF MADRAS DISTRICT DEVELOPMENT COUNCILS ACT, 1958, AND MADRAS PANCHAYATS ACT, 1958.

1. The Government have settled the programme of implementation of the Madras District Development Councils Act, 1958, and the Madras Panchayats Act, 1958.

2. The Madras District Development Councils Act, 1958, has to be given effect to as the first among the preparatory measures preceding the implementation of the Madras Panchayats Act, 1958. The Government have decided to bring the Madras District Development Councils Act into force from 1st December 1959.

3. The expansion of rural developmental activities has reached a stage at which the need has arisen for constituting areas smaller in extent than the revenue district immediately for purpose of rural development. The act provides for representation of every municipal town and every block in the district, including blocks in which the National Extension Service Scheme has not yet been introduced. Further the Council will include all the Members of the State and the Central Legislature of the district together with the Gazetted Officers of the Government connected with planning and development. If a District Development Council is constituted on this basis for a whole revenue district, it will have unduly large and unwieldy body. It is, therefore, necessary that a compact local area within a revenue district has to be delimited as a Development district for the purpose of the Act. The City of Madras is unaffected by the Act. The three revenue districts of Chingleput, Kanyakumari and Nilgiris are declared to be Development districts under the Act. The remaining nine districts have been delimited into eighteen Development districts at the rate of two for every revenue district. The twenty-one Development districts are as follows :—

1. Chingleput.
2. Kanyakumari.
3. Nilgiris.
4. North Vellore.
5. South Vellore.
6. North Cuddalore.
7. South Cuddalore.
8. East Coimbatore.
9. West Coimbatore.
10. North Madurai.
11. South Madurai.
12. East Ramanathapuram.
13. West Ramanathapuram.

14. North Salem.
15. South Salem.
16. East Thanjavur.
17. West Thanjavur.
18. North Tiruchirappalli.
19. South Tiruchirappalli.
20. North Tirunelveli.
21. South Tirunelveli.

The division of the revenue district into Development districts will have effect only in relation to the working of development schemes in the district. The revenue district will continue to be the territorial unit for purposes of land revenue and general administration as at present. The headquarters of the revenue district will be the common headquarters of both the District Development Councils.

4. Under section 4 (1) (*c*) of the Act, all Chairman of Panchayat Union Councils in the district will be members of District Development Councils. Until Panchayat Union Councils are established the Act provides that a person chosen by the Presidents of Panchayats in a local area shall be a member of the District Development Council. As Panchayat Unions have not yet been constituted, one representative for every develpoment block will be chosen by the Presidents of Panchayats in that block.

5. Under section 4 (3) (*b*) of the Act, a Member of Parliament and a member of the State Legislature chosen to represent a constituency which consists of, or comprises or which relates to a district or any portion thereof other than a district in which he has his residence should intimate his decision as to the district in which he desires to serve as a member of the District Development Council to the District Collector concerned within a prescribed period.

6. The Government have fixed 1st January 1960 as the statutory date on which District Development Councils should be formally brought into existence.

7. The Government have decided that the Madras Panchayats Act, 1958, should be brought into force in all the areas of the State except the transferred territory (Kanyakumari district and Shencottah taluk of Tirunelveli district) with effect from 1st January 1960.

8. The implementation of the Madras Panchayats Act, 1958, involves three main administrative operations which may be distinguished from one another as (i) completion of Panchayat Coverage; (ii) Panchayats Union Constitution; and (iii) Rural Development Devolution.

9. The first operation, namely, "completion of panchayat coverage" will commence on 1st January 1960 in all blocks and will be completed on or before the 31st December 1960. With the completion of this operation all the rural areas of the State w[illegible] be covered with Panchayats.

10. The administrative operation referred to as "Panchayat Union Constitution" begins when a preliminary notification is published by Government under sub-section (1) of section 7 of the Act, specifying the blocks where Panchayat Unions are proposed to be constituted. An intermediate stage of this operation is reached when statutory objections, if any, are heard and the terr[illegible] torial limits of the notified blocks are finalised by an intermediate notification under sub-section (3) of section 7 of the Act. The block then acquires statutory status as a "Panchayat Development Block". Thereafter, the members of "Panchayat Union Councils" are to be chosen, including co-opted members, wherever necessary.

11. It is proposed to divide all the Development Blocks in the State delimited under the National Extension Service Scheme of Community Development into three batches so that a phased programme of constitution of Panchayat Unions can be put through within the time-limit, namely, 2nd October 1961, specified under the Act.

12. The first batch will comprise 75 select blocks which are a little over one-third of the total number of blocks where the National Extension Service Scheme has already been introduced.

The second batch will comprise all other blocks where the National Extension Service Scheme has already been introduced.

The third batch will comprise all the other blocks in the State (i.e., Blocks where the National Extension Service Scheme has not yet been introduced.)

13. The calendar of dates for the publication of the preliminary notification under section 7 (1), intermediate notification under section 7 (3) and final notification under section 11 (1) of the Madras Panchayats Act, 1958, of each of the three batches has been fixed as follows:—

| *Blocks.* | *Date of preliminary notification under section 7 (1) of the Act.* | *Date of intermediate notification under section 7 (3) of the Act.* | *Date of final notification under section 11 (1) of the Act.* |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| First Batch Blocks .. | 1st January 1960. | 14th April 1960. | 2nd October 1960. |
| Second Batch Blocks | 1st July 1960 .. | 2nd October 1960. | 14th April 1961. |
| Third Batch Blocks .. | 14th April 1960. | 1st July 1961 .. | 2nd October 1961. |

14. It is necessary that the Panchayats should be actively associated with all the measures taken to implement the new Panchayats Act, and bring Panchayat Unions into existence in accordance with the phased programme.

Government have, therefore, decided that the committees already constituted under the National Extension Service Scheme should be enlarged to include all the Panchayat Presidents of the Block. Similar committees will also be constituted in all the other Blocks in which the National Extension Service Scheme has not yet been introduced.

15. The functions of these Block Advisory Committees will be as follows :—

(i) All functions at present performed by the Block Advisory Committees under the National Extension Service Scheme of Community Development.

(ii) Advising the panchayats in the block as well as all the official agencies concerned, in respect of the implementation of the Madras Panchayats Act, 1958.

(G.O. Ms. No. 2013, dated 18th November 1959.)

# PART III.

## PANCHAYAT ADMINISTRATION.

### (1) MEMORANDUM ON VILLAGE PANCHAYATS.

#### Historical Retrospect and Statistical Data.

It is well known that in ancient times, village panchayats had formed an integral part in the national life of our country. They were self-contained, economic and administrative units and were in practice, little republics enjoying a great deal of local autonomy, with powers of taxation for local purposes. They flourished also as centres of corporate life and culture. The highly centralized administrative system of the British rule and the impact of modern civilization led to a gradual and steady decay of the village panchayats. The administration of justice was taken over by civil and criminal courts and the Police Department, took over the functions of maintaining peace in villages. The administration of land revenue was vested in a separate department of Government. With the growth of towns and migration to them of people from villages, the rural economy was greatly upset. The self-reliance with which the villagers had always managed their affairs had gradually disappeared and the village panchayats as useful rural institutions, sank into insignificance.

2. In time, however, even the British administrators realized the significance of village panchayats and Montstuart Elphinstone observed so early as in 1820, that village panchayats were an excellent remedy for the imperfections of a bad form of Government. They felt that State should take definite steps to foster the promotion among the people, the habits of voluntary co-operation for the carrying out public objects. The credit for realizing the importance of shaping new measures towards that direction, goes to Lord Ripon, whose resolution of 1882 regarding the association of non-officials in the administration of local institutions led to the passing of the Madras Local Boards Act, 1884, which provided for the constitution of "unions" in small towns and large villages, mainly for the purpose of looking after village roads, sanitation and lighting. About 400 unions were established, the members of which were all nominated. After the visit of the Royal Commission on Decentralization, the Government of Madras decided to increase the number of these unions and to introduce therein the principle of election. They also decided to constitute informal panchayats, under the control of Collectors, with the local village headmen as *ex officio* chairmen. About 1,000 of these informal panchayats were accordingly constituted, but their position was weak and unsatisfactory, as they had no statutory basis.

3. The Royal Commission on Decentralization laid stress on the necessity for district officers looking after panchayats and considered that panchayats should have no connexion with district

or taluk boards. In 1918, the Government of India in their review on the working of local self-governing institutions in India also pointed out the desirability of keeping panchayats as far as possible under the control of district staff and away from other administrative bodies. They also emphasised the importance of associating village officers with panchayats and advocated the introduction of simple and elastic legislation to call these panchayats into existence. The Madras Village Panchayats Act was accordingly passed and brought into force in 1920. That Act enfranchised all men over 25 years of age and provided for the election of all members of the panchayats. A post of Registrar-General of Panchayats was also created to supervise the panchayats and he was to be aided by non-official organizers. In framing the Madras Village Panchayats Act, the advice of the Government of India that panchayats should be placed under the control of the district staff and that the village officers should be associated with them, was not followed. Side by side with these panchayats, the "unions" constituted under the Local Boards Act of 1884 (and its successor, the Madras Local Boards Act, 1920) also continued to function.

4. By 1928, the number of panchayats had increased to nearly 3,000 and the Government realizing the difficulty experienced by the Registrar-General in supervising so many village bodies, transferred the well-established panchayats to the control of Collectors. Before the effect of this change could be gauged, the Madras Village Panchayats Act of 1920 was repealed by the Madras Local Boards (Amendment) Act of 1930 (Madras Act XI of 1930). That Act amended the Madras Local Boards Act which was then in force so as to bring within its scope the panchayats constituted under the Village Panchayat Act. The panchayats were thus placed on the same footing as the "unions" which were already governed by the Local Boards Act and they acquired also considerably enlarged powers. The supervision and control of panchayats was divided between taluk boards where they existed and subsequently between district boards and the Government through the Inspector of Municipal Councils and Local Boards. The Collector had also some powers, mainly for dealing with emergencies. As the number of panchayats grew, District Panchayat Officers and Assistant Panchayat Officers were appointed.

5. It was found that the condition of panchayats under the dual control of district boards on the one hand, and on the other of the Inspector of Municipal Councils and Local Boards, was generally unsatisfactory and that the control was also ineffective. The Advisers' Government therefore considered it necessary to exclude panchayats from the scope of the Madras Local Boards Act, 1920, to frame a separate enactment for them and to place them in the charge of the District Collectors. The Madras

Village Panchayats Act, 1946 (Madras Act XII of 1946), was accordingly enacted by the Governor during the Advisers regime, the question of bringing it into force being left to the Ministry when it resumed office. After the resumption of office by the Ministry, the Government reviewed the provisions of this Act and considered, in order to make the panchayats really democratic institutions that control and supervision over them should be vested in the Inspector of Municipal Councils and Local Boards, that the control of District Collectors over panchayats should be limited to certain emergency powers and that the panchayats should be invested with more powers. The Madras Village Panchayats Act, 1946, was therefore allowed to lapse in 1948.

6. The next step was the passing of the Madras Village Panchayats Act, 1950, which was brought into force from 1st April 1951. This Act is in effect the implementation of Article 40 of the Constitution which has enjoined that the State shall take steps to organize panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government. Under this Act, every village or hamlet with a population of 500 and above will have a panchayat. Village with a population of less than 500 will be included within the jurisdiction of an adjoining panchayat or grouped with other contiguous villages and a single panchayat formed for the group. The strength of a panchayat ranges from five to fifteen based upon population. There is provision for reservation of seats for the members of the Scheduled Castes for a period of ten years from the commencement of the Act, i.e., up to 1st April 1961. Every panchayat is divided into wards subject to a minimum of two for the purposes of election of members. The term of office of members and president is three years. All the members will be elected by voters whose names are included in the Legislative Assembly rolls pertaining to the area comprised in the panchayat. The president will be elected directly by the entire electorate of the village and he will be an ex-officio member. The vice-president will be elected from among the members of the panchayat. Executive officers are appointed to bigger panchayats, who are charged with the duty of carrying on the day-to-day administration and of putting into effect the resolutions passed by the panchayats.

7. The Act enjoins on panchayats certain obligatory functions including the construction, repair and maintenance of public roads, the lighting of streets and public places, construction of drains, cleansing of streets, removal of rubbish, provision of public latrines, provision of protected water-supply, sinking and repairing of wells, ponds or tanks and concerting preventive and remedial public health measures. The discretionary functions include planting and preservation of trees on road-margins; opening and maintenace of elementary schools, reading rooms, public markets,

cart-stands, slaughter-houses, dispensaries and materinity and child welfare centres; and control of fairs and festivals. Improvement of agricultural stock and the holding of agricultural shows, are also entrusted to panchayats. The work of village courts and panchayat courts under the Madras Village Courts Act, 1888 is now done by village panchayats within their respective areas, civil jurisdiction having been increased to Rs. 100.

8. The main revenue for all the panchayats is that derived from the share of land-cess realized in the village (3 nP. in the rupee and the duty levied on transfers of property. Under the Act, a tax on houses (huts exempted), profession tax and vehicle tax are levied compulsorily, subject to the maximum and minimum rates laid down by Government. The Government make *ex-gratia* grants.

9. The Government exercise supervision and control over village panchayats through the Inspector of Municipal Councils and Local Boards who is assisted by Regional Inspectors and Deputy Panchayat Officers. District Boards do not have any control over panchayats; they, however, continue to perform village panchayat functions in non-panchayat areas until panchayats are constituted for such areas. District Collectors do not have any control over panchayats except for certain emergency powers for ensuring safety of life and property and for preventing breaches of the peace.

10. More than six years have elapsed after the inception of the Madras Village Panchayats Act, 1950, and the record of achievements and performances of panchayats during this period has been disappointing. Though the Act contains impressive lists of functions—mandatory as well as discretionary—fit to make panchayats play the role of " spearheads of change and reconstruction " in rural parts, very few of them have actually performed such functions.

11. The position was reviewed in the light of the circumstances now prevailing as a result of the successful execution of the First Five-Year Plan and the progress of popular awakening through National Extension Service, Community Projects and Local Development Works. A scheme was drawn up for the formation of groups of small panchayats to enable them to perform functions which they were unable to perform satisfactorily in their individual capacity. The Collectors, Board of Revenue and the Inspector of Municipal Councils and Local Boards who were consulted on the scheme, generally endorsed the proposals. The necessary legislation to implement the scheme could not, however, be undertaken on the eve of general elections and it has been proposed to make an attempt to deal with the defects in panchayat administration within the framework of the existing Act.

## PANCHAYAT'S STATISTICAL DATA.

| Year. | Major panchayats. | | | | | | Minor panchayats. | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total number. | Receipts. | | | | Expenditure. | Total number. | Receipts. | Expenditure. |
| | | House tax. | Profession tax. | Land cess.* | Other items. | | | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | | RS. IN LAKHS. | RS. IN LAKHS. |
| 1935–36 .. .. .. | 448 | 16·16 | 1·33 | .. | 16·32 | 29·67 | 5,309 | 8·66 | 4·63 |
| 1936–37 .. .. .. | 438 | 15·29 | 1·06 | .. | 13·44 | 28·08 | 5,723 | 25·83 | 12·26 |
| 1937–38 .. .. .. | 352 | 14·94 | 1·16 | .. | 13·46 | 29·34 | 5,895 | 11·15 | 5·86 |
| 1938–39 .. .. .. | 353 | 14·55 | 1·25 | .. | 15·56 | 32·31 | 6,129 | 27·33 | 13·28 |
| 1939–40 .. .. .. | 353 | 16·49 | 1·79 | .. | 17·75 | 33·36 | 6,285 | 49·16 | 26·56 |
| 1940–41 .. .. .. | 358 | 17·45 | 2·12 | 1·72 | 16·29 | 36·22 | 6,706 | 27·39 | 28·78 |
| 1941–42 .. .. .. | 363 | 16·83 | 2·12 | 1·63 | 16·22 | 36·37 | 6,674 | 31·74 | 32·35 |
| 1942–43 .. .. .. | 361 | 18·44 | 2·11 | 1·74 | 17·62 | 35·95 | 6,660 | 32·27 | 27·88 |
| 1943–44 .. .. .. | 365 | 19·49 | 2·83 | 1·77 | 21·08 | 43·05 | 6,706 | 31·98 | 28·27 |
| 1944–45 .. .. .. | 371 | 23·35 | 2·40 | 1·60 | 29·43 | 54·08 | 6,717 | 38·63 | 31·77 |
| 1945–46 .. .. .. | 375 | 25·17 | 3·78 | 1·72 | 39·05 | 75·64 | 6,757 | 40·24 | 37·04 |
| 1946–47 .. .. .. | 381 | 26·69 | 4·03 | 1·73 | 51·29† | 80·62 | 6,807 | 45·00 | 42·30 |

## PANCHAYAT'S STATISTICAL DATA—*cont.*

| Year. | Major panchayats. | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total number. | Receipts. | | | | | | Expenditure. |
| | | House tax. | Profession tax. | Vehicle tax.‡ | Land cess* | Surcharge on stamp duty. | Other items. | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| | | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. |
| 1947–48 .. .. .. .. .. | 397 | 39·80 | 4·52 | .. | 7·98† | .. | 64·70 | 92·90 |
| 1948–49 .. .. .. .. .. | 404 | 31·15 | 4·52 | .. | 2·40 | .. | 90·24† | 112·32 |
| 1949–50 .. .. .. .. .. | 402 | 35·12 | 4·99 | .. | 12·81§ | .. | 89·21 | 131·35 |
| 1950–51 .. .. .. .. .. | 481 | 38·17 | 7·79 | .. | 1·70 | .. | 106·39† | 144·81 |
| *Class I Panchayats.* | | | | | | | | |
| 1951–52 .. .. .. .. .. | 267 | 11·58 | 4·79 | 1·08 | 0·66 | 9·47 | 12·16 | 96·27 |
| 1952–53 .. .. .. .. .. | 291 | 26·19 | 5·21 | 1·99 | 0·41 | 8·84 | 14·76 | 107·75 |
| 1953–54 .. .. .. .. .. | 284 | 31·48 | 5·70 | 2·21 | 0·99 | 12·36 | 11·57 | 127·05 |

| Year. | Minor panchayats. Total number. | Receipts. House tax. | Profession tax. | Vehicle tax.‡ | Land cess. | Surcharge on stamp duty. | Other items. | Expenditure. |
|---|---|---|---|---|---|---|---|---|
| | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| | | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. | RS. IN LAKHS. |
| 1947–48 .. .. .. .. .. | 6,951 | 2·27 | 0·75 | .. | 17·54 | .. | †46·54 | 49·53 |
| 1948–49 .. .. .. .. .. | 7,181 | 2·39 | 0·50 | .. | 17·19 | .. | †83·07 | 67·92 |
| 1949–50 .. .. .. .. .. | 7,617 | 3·02 | 0·71 | .. | 24·66 | .. | †97·24 | 90·62 |
| 1950–51 .. .. .. .. .. | 8,062 | 2·31 | 1·07 | .. | 11·67 | .. | †125·76 | 102·92 |
| *Class II Panchayats.* | | | | | | | | |
| 1951–52 .. .. .. .. .. | 4,309 | 2·46 | 1·09 | 1·08 | 3·39 | 26·17 | 2·53 | 64·75 |
| 1952–53 .. .. .. .. .. | 4,313 | 4·98 | 1·23 | 1·34 | 1·89 | 25·91 | 2·69 | 80·71 |
| 1953–54 .. .. .. .. .. | 4,334 | 14·73 | 1·82 | 5·13 | 8·17 | 36·40 | 7·09 | 93·79 |

* Separate figures for land cess available only from 1940–41.

† Includes surcharge on stamp duty.

‡ Levied from the commencement of the Madras Village Panchayats Act, 1950 (1951–52).

§ Includes surcharge on stamp duty and entertainment tax.

# CONTINUANCE OF THE RULES ISSUED UNDER THE MADRAS VILLAGE PANCHAYATS ACT, 1950.

The Madras Panchayats Act, 1958, came into force on 1st January 1960 throughout the State except the areas transferred from the former Travancore-Cochin State and the areas transferred from Andhra Pradesh State. Section 13 of the Act provides that the Madras Village Panchayats Act, 1950, will stand repealed only from the date on which the Panchayat Union Councils come into existence. According to the programme of implementation of the 1958 Act, Panchayat Union Councils will come into existence in the State according to a phased programme in three batches, the first batch from 2nd October 1960, the second batch from 13th April 1961 and the third from 2nd October 1961, the target date specified in the Act. Thus till 2nd October 1961 both the Madras Village Panchayats Act, 1950, and the Madras Panchayats Act, 1958, will continue to be in force in the State.

2. Rules have been issued in as many as 106 subjects under the Madras Village Panchayats Act, 1950. These rules have been compiled in the form of a Manual. Under section 18 of the Madras General Clauses Act, 1891, all these rules, as far as they are consistent with the provisions of the Madras Panchayats Act, 1958, should be deemed to have been made under it. Consequently the rules issued under the 1950 Act will continue to be in force even after the commencement of the 1958 Act notwithstanding the repeal of the 1950 Act by section 13 of the 1958 Act so far as they apply to panchayats.

**(G.O. Ms. No. 1720, L.A., dated 15th October 1960.)**

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# RULES UNDER THE MADRAS PANCHAYAT ACT, 1958.

## Part I—Panchayat Unions.

## CHAPTER I—CONSTITUTION.

### A. Formation of Panchayat Unions and Constitution of Panchayat Union Councils.

NOTIFICATION No. 1.

Under clause (9) of section 2 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Election Authorities.*

For all the purposes of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), (hereinafter in this rule referred to as the said Act), the District Collector, the Revenue Divisional Officer and the Divisional Panchayat Officer in respect of every panchayat constituted under the said Act in the areas within their respective jurisdictions, the District Collector in respect of every Panchayat Union Council constituted under the said Act in the district under his charge, and the Additional Development Commissioner, Madras, in respect of every such Panchayat Union Council in the State, shall be the election authorities.

NOTIFICATION No. 2.

In exercise of the powers conferred by section 26 (*d*) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Disqualification of members of Panchayat Union Councils.*

No member of Panchayat Union Council shall cease to hold office as such on the ground that he acquires any interest in a subsisting contract made with, or any work being done for the Panchayat Union Council by reason of such member having a share or interest in—

(i) any lease, sale or purchase of immovable property or any agreement for the same; or

(ii) any agreement for the loan of money or any security for the payment of money only; or

(iii) any newspaper, in which any advertisement relating to the affairs of the Panchayat Union Council is inserted; or

(iv) the sale to the Panchayat Union Council of any articles in which he regularly trades, or the purchase from the Panchayat Union Council of any articles, to a value in either case not exceeding fifteen hundred rupees in the aggregate in any year during the period of the contract or work.

NOTIFICATION No. 3.

In exercise of the powers conferred by sub-section (1) of section 28 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Judicial authority to decide questions of disqualifications of Members.*

The judicial authority to whom applications under sub-section (1) of section 28 of the Madras Panchayats Act, 1958, may be made shall be, in the case of districts other than the Nilgiris, the District Munsif having territorial jurisdiction over the place in which the office of the Panchayat Union Council concerned is situated or if there is more than one such District Munsif, the Principal District Munsif, and in the case of the Nilgiris district, the Subordinate Judge, Ootacamund :

Provided that, in the case of districts other than the Nilgiris, the District Judge shall have power to transfer any such application to any other District Munsif in the district.

NOTIFICATION No. 4.

In exercise of the powers conferred by sub-clause (ii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Decision of election disputes relating to Panchayat Union Councils.*

1. (1) Save as otherwise provided, no election held under the Madras Panchayats Act, 1958, whether of a member, chairman or vice-chairman of a Panchayat Union Council shall be called in question except by a election petition presented in accordance with these rules to an election court as defined in sub-rule (2) by any candidate or elector against the candidate who has been declared to have been duly elected (hereinafter called the returned candidate) or if there are two or more returned candidates against all or any such candidates.

(2) The election court shall be—

(i) except in cases falling under clause (ii), in the case of districts other than the Nilgiris, the District Munsif having territorial jurisdiction over the place in which the office of the Panchayat Union Council is situated, or, if there is more than one such District Munsif, the Principal District Munsif, and in the case of the Nilgiris district, the Subordinate Judge, Ootacamund; and

(ii) where the Government so direct, whether in respect of panchayat union councils generally or in respect of any class of panchayat union councils or in respect of panchayat union councils in the same district or taluk, such officer or officers of Government as may be designated by the Government in this behalf by name or by virtue of office :

Provided that an election petition may, on application, be transferred—

(*a*) if presented to a District Munsif under clause (i), by the District Judge concerned, to another District Munsif within his jurisdiction; and

(*b*) if presented to an officer of Government under clause (ii), by the Government to another officer of Government :

Provided further that where an election petition is transferred to any authority under the foregoing proviso, such authority shall be deemed to be the election court.

(3) A District Munsif, Subordinate Judge or other officer exercising jurisdiction under these rules shall be deemed to exercise such jurisdiction as a PERSONA DESIGNATA and not in his capacity as a Munsif or Judge or other officer of Government, as the case may be.

2. (1) The election petition shall be presented within fifteen days from the date of declaration of the result of the election.

*Explanation.*—If the office of the election court is closed on the last day of the fifteen days aforesaid, the petition may be presented to the election court on the next following day on which such court is open.

(2) The petition shall contain a statement in concise form of the material facts on which the petitioner relies and the particulars of any corrupt practice which he alleges, and shall, where necessary, be divided into paragraphs numbered consecutively. It shall be signed by the petitioner and verified in the manner presented for the verification of pleadings in the Code of Civil Procedure, 1908.

3. (1) If the irregularities alleged in the petition are likely to affect the validity of the election of more than one returned candidate, the petitioner shall join as respondents to his petition all such returned candidates.

(2) The petitioner may, if he so desires, in addition to calling in question the election of the returned candidate or of all or any of the returned candidates, as the case may be, claim a declaration that he himself or any other candidate has been duly elected; in such case, he shall join as respondents to his petition all other candidates who were nominated for the election but had not withdrawn before the polling.

4. (1) At the time of presentation of the petition, the petitioner shall deposit with the election court in cash twenty-five rupees as security for the costs of the same.

*Explanation.*—Where the election of more than one returned candidate is called in question, a separate deposit shall be made in respect of each such returned candidate.

(2) If the provisions of sub-rule (1) are not complied with the election court shall dismiss the petition.

(3) Upon compliance with the provisions of sub-rule (1), the election court shall proceed to inquire into the petition.

5. The election court shall, as soon as may be, cause a copy of the petition to be served on each respondent and on the Commissioner of the Panchayat Union concerned and the election authority. Copies shall also be affixed to the notice board of the election court and of the office of the Panchayat Union Council. The election court may also call on the petitioner to execute a bond in such amount and with such sureties as it may require for the payment of any further costs. At any time within fourteen days after such publication any other candidate shall be entitled to be joined as a respondent on furnishing similarly such security as may be demanded by the election court.

6. (1) Every election petition shall be enquired into by the election court as nearly as may be in accordance with the procedure applicable under the Code of Civil Procedure, 1908, to the trial of suits :

Provided that it shall only be necessary for the election court to make a memorandum of the substance of the evidence of any witness examined by it.

(2) The election court shall have the powers which are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters :—

(*a*) discovery and inspection,

(*b*) enforcing the attendance of witnesses and requiring the deposit of their expenses,

(*c*) compelling the production of documents,

(*d*) examining witnesses on oath,

(e) reception of evidence taken on affidavit, and

(f) issuing commissions for examination of witnesses, and may summon and examine *suo motu* any person whose evidence appears to it to be material.

7. (1) No election petition shall be withdrawn without the leave of the election court.

(2) If there are more petitioners than one, no application to withdraw a petition shall be made except with the consent of all the petitioners.

(3) When an application for withdrawal is made, notice thereof fixing a date for the hearing of the application shall be given to all other parties to the petition and shall be published in the manner specified in rule 5.

(4) No application for withdrawal shall be granted if the election court is of opinion that such application has been induced by any bargain or consideration which it considers ought not to be allowed.

(5) If the application is granted—

(a) the petitioner shall be ordered to pay costs of the respondent theretofore incurred or such portion thereof as the election court may think fit; and

(b) such withdrawal shall be communicated to the Commissioner of the Panchayat Union concerned and the election authority by the election court.

8. (1) Any order made by the election court regarding the costs of the enquiry may be produced—

(i) if the person directed by such order to pay the costs has a place of residence or business elsewhere than in the City of Madras, or the Nilgiris district, before the District Munsif having jurisdiction;

(ii) if such person has a place of residence or business in the Nilgiris district before the Court of the Subordinate Judge, Ootacamund; and

(iii) if such person has a place of residence or business in the City of Madras, before the Court of Small Causes, Madras.

(2) Such court shall execute such order or cause it to be executed in the same manner and by the same procedure as if it was a decree for the payment of money made by itself in a suit.

9. An election petition shall abate on the death of a sole petitioner or of the survivor of several petitioners, and such abatement shall be communicated to the Commissioner of the Panchayat Union concerned and the election authority by the election court.

10. Where at an inquiry into an election petition any candidate other than a returned candidate, claims the seat for himself, the returned candidate or candidates or any other party to the proceedings may give evidence to prove that the election of such candidate would have been void if he had been a returned candidate and a petition had been presented complaining of his election.

11. If in the opinion of the election court—

(*a*) a returned candidate, his agent or any other person with the connivance of such candidate or agent, has committed, or abetted the commission of any election offence falling under Chapter IX-A of the Indian Penal Code, or any law or rule relating to the infringement of the secrecy of an election, or

(*b*) the election of a returned candidate has been procured or induced or the results of the election has been materially affected, by any of the following corrupt practices, namely—

(i) any election offence falling under Chapter IX-A of the Indian Penal Code or any law or rule relating to the infringement of the secrecy of an election when committed by a person who is not a candidate or his agent or a person acting with the connivance of a candidate or his agent;

(ii) any payment or promise of payment to any person whomsoever on account of the conveyance of any elector to or from any place for the purpose of recording his vote; and

(iii) the hiring, employment, borrowing or using for the purposes of the election of any boat, vehicle or animal usually kept for letting on hire or for the conveyance of passengers by hire:

Provided that any elector may hire any boat, vehicle or animal or use any boat, vehicle or animal, which is his own property to convey himself to or from the place where the vote is recorded: or

(*c*) the result of the election has been materially affected by any irregularity in respect of a nomination paper or by the improper reception or refusal of a nomination paper or vote or by any non-compliance with the provisions of the Act or the rules made thereunder, the election of such returned candidate shall be void:

Provided that if the election court is of opinion that any corrupt practice specified in clause (*b*) of this rule, which does not amount to any form of bribery other than treating as hereinafter explained has been committed and if the election court is further of opinion that the candidate has satisfied the election court that—

(*a*) no currupt practice was committed at such election by the candidate and that any corrupt practices committed were committed contrary to the orders and without the sanction or connivance of such candidate; and

(*b*) such candidate took all reasonable means for preventing the commission of corrupt practices at such election; and

(*c*) the corrupt practices committed were of a trivial, unimportant and limited character; and

(*d*) in all other respects the election was free from any corrupt practice on the part of such candidate or any of his agents, then the election court may find that the election of such candidate is not void.

*Explanation.*—For the purpose of this rule 'treating' means the incurring in whole, or in part by any person of the expense of giving or providing any food, drink, entertainment or provision to any person with the object, directly or indirectly of inducing him or any other person to vote or refrain from voting or as a reward for having voted or refrained from voting.

12. (1) At the conclusion of the inquiry, the election court shall declare whether the election of the returned candidate or candidates is void under rule 11.

(2) If the election court declares the election of the returned candidate or candidates void, it shall further pass an order either—

(*a*) declaring that any other party to the petition who has under these rules claimed the seat has been duly elected; or

(*b*) ordering a fresh election.

(3) The order of the election court under sub-rules (1) and (2) shall be final.

(4) A copy of every order under sub-rule (1) or sub-rule (2) shall be communicated to the commissioner of the panchayat union concerned and the election authority.

13. When an election is declared void under sub-rule (1) of rule 12 and a fresh election is ordered under clause (*b*) of sub-rule (2) of that rule, the seat of the returned candidate or the seats of the returned candidates, as the case may be, shall be deemed to be vacant from the date of the order of the election court and the authority concerned shall forthwith take the necessary steps for holding such fresh election.

14. (1) Notwithstanding anything contained in the foregoing rules, where more than one person claims that he has been elected as the chairman or vice-chairman of the panchayat union council, and the election of none of them has been called in question by an election petition presented to the election court within the time specified in sub-rule (1) of rule 2 or where such election petition has, or election petitions have, been presented but subsequently withdrawn, the election authority may, after such inquiry as he considers necessary—

(*a*) declare one of the claimants to have been duly elected as the chairman or vice-chairman of the panchayat union council, as the case may be, or

(*b*) if he finds that none of the claimants has been duly elected, order a fresh election.

(2) An order passed under clause (*b*) of sub-rule (1) shall be final.

(3) Against an order passed under clause (*a*) of sub-rule (1), an appeal may be preferred by any candidate or elector to the election court as defined by sub-rule (2) of rule 1, within fifteen days of the date of the order.

(4) The provisions of these rules shall, so far as may be, apply to such appeal as if it were an election petition presented under these rules.

(5) An order passed under clause (*a*) of sub-rule (1) shall, subject to the result of any appeal preferred under sub-rule (3), be final.

15. Notwithstanding anything contained in the foregoing rules, where more than one person claims to have been elected as the chairman or vice-chairman of the panchayat, such inquiry as he considers necessary, direct one of the claimants to perform the functions of the chairman or vice-chairman of the panchayat union council as the case may be until union council, and the election of one or more of them has been called in question by an election petition presented in accordance with these rules, the election authority may, after orders are passed by the election court on the election petition.

NOTIFICATION No. 5.

In exercise of the powers conferred by sub-section (7) of section 19 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Election of members by Panchayat Union Councils in certain cases.*

1. The rules made under this Act for the election of vice-chairmen of the panchayat union councils shall, so far as may be, apply in regard to the election of a member of a panchayat union council under sub-section (7) of section 19 of the Madras Panchayats Act, 1958.

2. The person elected by the panchayat union council under the said sub-section shall be a member of the panchayat or the township committee as the case may be in respect of which the ordinary or the casual vacancy has occurred.

NOTIFICATION No. 6.

In exercise of the powers conferred by sections 24 and 178 and sub-section (1) of section 179 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Infringement of secrecy of elections.*

1. No polling officer, clerk, or other person in attendance at the polling room shall except for a purpose authorized by law, communicate to any person any information showing directly or indirectly for which candidate any voter has voted.

2. A breach of rule 1 shall be punishable with fine which may extend to one hundred rupees.

## B. Chairman and Vice-Chairman.

NOTIFICATION No. 7.

In exercise of the powers conferred by sub-section (1) and clause (v) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Resignation of Chairman, Vice-chairman and members of Panchayat Union Councils.*

1. Any member of a panchayat union council other than the Chairman or any Vice-Chairman of such council may resign his office by giving notice in writing to the Chairman. Such resignation shall take effect from the date on which it is received by the Chairman.

2. The chairman of the panchayat union council may resign his office by giving notice in writing to the panchayat union council. Such resignation shall take effect from the date on which it is placed before the panchayat union council.

NOTIFICATION No. 8.

In exercise of the powers conferred by section 37, sub-section (5) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Devolution of Chairman's functions.*

Where the absence from jurisdiction of the Chairman is within the State of Madras and is on business connected with the panchayat union, his functions, except to the extent, if any, to which they have been delegated to the vice-chairman, shall not devolve on the said vice-chairman.

NOTIFICATION No. 9.

In exercise of the powers conferred by clause (x) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## Rules.

*Payment of travelling allowance by Panchayat Union Councils to their chairmen, Vice-Chairmen, Members and Members of their committees.*

1. The travelling allowances payable to—

(*a*) members of panchayat union councils including the chairman, vice-chairman and chairman-delegate, and

(*b*) members of standing or other committees of panchayat union councils including the chairman—

shall be governed by the provisions of the Madras Travelling Allowance Rules, as amended from time to time, subject to the modifications and limitations specified in rules 2 to 8.

2. The persons mentioned in clauses (*a*) and (*b*) of rule 1, shall for the purpose of determining the rates of travelling allowance to which they are entitled, be divided into three grades as shown below and the persons placed in each grade shall be entitled to the rates of travelling allowance specified against the grade concerned :

Provided that the panchayat union council may in its discretion reduce the rates specified in respect of grades II and III :—

| *Grade and designation.* | *Daily allowance.* | *Mileage.* | *Railway or steamer journey.* |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| | RS. | | |
| *Grade I.* | | | |
| Chairman and vice-chairman of panchayat union council, and M.L.As., and M.L.Cs. | 4 | 25 naye Paise by road and 19 naye Paise by canal. | Single first-class fare. |
| *Grade II.* | | | |
| Chairman-delegate .. .. .. .. | 3 | Do. | Do. |
| *Grade III.* | | | |
| (*a*) Members of panchayat union councils excluding chiarmen and vice chairmen but including temporary chairmen.<br>(*b*) Members of standing and other committees including chairmen. | 2 | 13 naye Paise by road or canal. | One second class fare. |

Notes.—(1) The above rates shall be governed by rule 47 of the Madras Travelling Allowance Rules in the same manner as the rates laid down in Annexure 1 to those rules. The rates of mileage shall be regulated in accordance with rule 27 of the said rules.

(2) Persons placed in grades I, II and III by rule 2 shall, in respect of the journeys performed by them for attending meetings of the panchayat union council or of its standing or other committees held within a radius of five miles from their places of residence, be entitled to draw actual expenses, not exceeding the amount of daily allowance admissible to them under rule 2.

3. The total travelling allowance which may be actually drawn in any one year inclusive of the travelling allowance for journeys to attend meetings shall not, without the special sanction of the Collector of the district—

(*a*) in the case of the chairman of panchayat union council—five hundred rupees; and

(*b*) in the case of the vice-chairman of a panchayat union council—three hundred rupees.

4. The travelling allowance drawn in any year—

(*a*) by the vice-chairman of a panchayat union council for the period, if any, during which the chairman's functions devolve on him; and

(*b*) by a member of a panchayat union council exercising all or any of the functions of its chairman;

shall be taken into account for the purpose of calculating the maximum travelling allowance permissible to the chairman of a panchayat union council in such year.

5. Where the chairman of a panchayat union council resides within the jurisdiction of the panchayat union area but at a place different from where the office of the panchayat union is situated, such place of residence shall be treated as the headquarters of such chairman for the purpose of calculating his travelling allowance.

*Explanation.*—For the purpose of this rule, 'chairman' shall include the vice-chairman but shall not include the 'chairman-delegate' referred to in sub-section (6) of section 37 of the Act.

6. Where the chairman of a panchayat union council resides at a place outside the jurisdiction of the panchayat union area, he shall be entitled to draw travelling allowance only for journeys performed within the jurisdiction of the panchayat union.

7. The chairman, vice-chairman, chairman-delegate or other member of a panchayat union may travel on business connected with the panchayat union to places outside the jurisdiction of the panchayat union and claim travelling allowances for journeys so performed, if such journeys were undertaken, with the previous permission of the panchayat union council.

8. Where a meeting of the panchayat union council or of a standing or other committee thereof, or meetings of the panchayat union council and of any such committee or committees or of two

or more such committees, is or are held on two or more consecutive days, travelling allowance shall be paid in respect of such meeting or meetings only for one journey to and from the place of meeting notwithstanding that the person concerned may leave such place at the end of each day and return thereto on the succeeding day. But daily allowance shall be paid for other days if otherwise admissible.

## C. Procedure.

NOTIFICATION No. 10.

In exercise of the powers conferred by section 47, sub-section (1) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Mode of transacting business.*

The panchayat union council shall provide an office and the council shall meet therein for the transaction of business, upon such days and at such times as it may arrange and also at other times as often as a meeting shall be called by the chairman.

2. (1) No meeting shall be held unless notice of the day and time when the meeting is to be held and of the business to be transacted thereat has been given at least five clear days before the day of the meeting.

(2) In cases of urgency the chairman may convene a meeting on giving shorter notice than that specified in sub-rule (1).

(3) The agenda for the meeting shall be prepared by the Commissioner in consultation with the chairman. The Commissioner may include in the agenda any subject which in his opinion should be considered by the council and shall include therein any subject specified by the chairman. On any subject included in the agenda, the chairman as well as the Commissioner shall have the right of recording his views in a note and such note shall be circulated to the members or placed before the council before or at the time of the consideration of such subject by the council.

3. (1) The chairman shall, on the requisition in writing of not less than one-third of the members then on the council, convene a meeting of the council provided that the requisition specifies the day when and the purpose for which the meeting is to be held. The requisition shall be delivered at the panchayat union office during office hours to the chairman, or any other person who may then be in charge of the office at least ten clear days before the day of the meeting.

(2) If the chairman fails within forty-eight hours from the delivery of such requisition to call a meeting on the day specified therein, or within three days thereafter, the meeting may be called

by the members who signed the requisition on giving the notice provided for in sub-rule (1) or rule 2 to the other members of the council.

4. All meetings of the council shall be open to the public provided that the presiding member may and at the request of the council shall in any particular case, for reasons to be recorded in the minute book kept under rule 9 direct that the public generally or any particular person, shall withdraw.

5. All questions which may come before the council at any meeting shall be decided by a majority of the members present and voting at the meeting and, in every case of equality of votes, the presiding member shall have and exercise a second or casting vote.

6. No business shall be transacted at a meeting unless there be present at least one-third of the number of members then on the council.

7. If within half an hour after the time appointed for a meeting a quorum is not present, the meeting shall stand adjourned unless all the members present agree to wait longer.

8. No resolution of the council shall be modified or cancelled within three months after the passing thereof except at a meeting specially convened in that behalf and by a resolution of the council supported by not less than one-half of the sanctioned number of members.

9. Minutes of the proceedings at each meeting of the council shall be drawn up and entered in a book to be kept for that purpose; and shall be signed by the presiding member or in his absence by some one of the members present thereat; and the said minutes shall at all reasonable times and without charge, be open at the panchayat union office to the inspection of any person who pays any tax under this Act to the panchayat union.

10. The Commissioner shall have the custody of the proceedings and records of the council and may grant copies of any such proceedings and records on payment of such fees as the council may by general or special order, determine. Copies shall be certified by the commissioner as provided in section 76 of the Indian Evidence Act, 1872, and copies so certified may be used to prove the records of the council in the same manner as they may under sub-section (5) of section 78 of the said Act, be used to prove the proceedings of that body.

11. The committees constituted by the council under section 53 shall meet in the office provided by the panchayat union under rule 1.

12. The proceedings of every committee appointed by the council shall be recorded in writing and submitted to the council.

NOTIFICATION No. 11.

In exercise of the powers conferred by clause (vi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Moving of resolutions at meetings of Panchayat Union Councils.*

1. A member who wishes to move a resolution shall intimate his intention in writing to the chairman by giving at least ten clear days' notice and such notice shall contain a copy of the resolution which he wishes to move :

Provided that the chairman may allow a resolution with shorter notice than ten days to be entered on the list of business.

2. No resolution shall be admissible which does not comply with the following conditions, namely :—

(*a*) it shall be clearly and precisely expressed and shall raise a definite issue; and

(*b*) It shall not contain arguments, inferences, ironical expressions or defamatory statements, nor shall it refer to the conduct or character of persons except in their official or public capacity.

3. The chairman shall decide on the admissibility of a resolution, and shall disallow any resolution which, in his opinion, contravenes the provisions of the Madras Panchayats Act, 1958 or the rules made thereunder and the decision of the chairman shall be final :

Provided that if in the opinion of the chairman a resolution relates to a matter which is unconnected with the administration of a panchayat union, the chairman shall refer the resolution to the State Government and obtain their orders as to its admissibility.

4. A resolution which has been admitted by the chairman shall be entered in the list of business in the notice for the meeting.

5. (1) A member in whose name a resolution appears on the list of business shall, when called on, either—

(*a*) withdraw the resolution, in which case he shall confine himself to a mere statement to that effect; or

(*b*) move the resolution.

(2) If the member when called on is absent or proposes to withdraw or is willing to move the resolution, or if he has ceased to be member before the meeting, any member present at the meeting may move the resolution; and if no member moves it, it shall be considered to have been withdrawn.

(3) Every resolution which has been moved shall be seconded.

6. No speech, except with the permission of the chairman shall exceed fifteen minutes in duration :

Provided that the mover of a resolution, when moving the same may speak for not more than thirty minutes.

7. The discussion of a resolution shall be strictly limited to the subject of the resolution.

8. (1) When a resolution is under discussion any member may, subject to rules 2, 3, 6 and 7 move an amendment to such resolution.

(2) Every amendment which has been moved shall be seconded; otherwise it shall not be discussed.

9. (1) A member who has moved a resolution or an amendment to a resolution shall not withdraw the same except by leave of the Panchayat Union Council.

(2) No discussion shall be permitted on a motion for leave to withdraw except with the permission of the chairman.

10. (1) When an amendment to any resolution is moved, or when two or more such amendments are moved, the Chairman, shall, before taking the sense of the Panchayat Union Council thereon, state or read to the Panchayat Union Council, the terms of the original motion and of the amendment or amendments proposed.

(2) Ordinarily the Chairman shall put the amendments to the vote in the order in which they have been moved and lastly the original motion, if all the amendments are lost. But it shall be in his discretion in any case to put to the vote the original motion and the amendments in such order as the Chairman thinks fit.

11. When any resolution involving several points has been discussed, it shall be in the discretion of the Chairman to divide the resolution into points and put each of such points separately to the vote as the Chairman may think fit.

12. In these rules "Chairman" includes the person for the time being in charge of the office of the Chairman under sub-section (1), (2), (4), (5) or (6) of section 37 of the Madras Panchayats Act, 1958.

NOTIFICATION No. 12.

In exercise of the powers conferred by clause (vi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Interpellation of Chairman by the Members of Panchayat Union Council.*

1. No question shall be asked or answered at a meeting of a Panchayat Union Council as to any matters not connected with the Panchayat Union and no question shall be asked except as to matters of fact and the answer shall be confined to a statement of facts. Except as thus provided, any question may be asked by any member of the Panchayat Union Council, subject to the conditions and restrictions specified in the following rules.

2. A member of a Panchayat Union Council, who wishes to ask a question shall intimate his intention in writing to the Chairman by giving at least ten clear days' notice; such notice shall contain a copy of the question he wishes to ask.

3. In order that a question may be admissible, it must satisfy the following conditions, namely :—

(1) It must not publish any name or statement not strictly necessary to make the question intelligible;

(2) if a question contains a statement, the member asking it must make himself responsible for the accuracy of the statement;

(3) it must not contain arguments, inferences, ironical expressions or defamatory statements;

(4) it must not ask for an expression of opinion or the solution of an abstract legal question or of a hypothetical proposition;

(5) it may not be asked as to the character or conduct of any person except in his official or public capacity;

(6) it must not be of excessive length; and

(7) a question once fully answered may not be asked again.

4. The Chairman shall decide on the admissibility of a question and either allow or disallow it before the date fixed for the next meeting for which it may be in time under rule 2. He may disallow any question, if in his opinion, it is an abuse of the right of questioning or where, in his opinion, it cannot be answered consistently with the public interests, and shall disallow any question which, in his opinion, contravenes any of these rules; and in such case the question shall not be entered in the proceedings of the Panchayat Union Council.

5. Questions allowed by the Chairman shall be entered in the agenda paper for the day and the Chairman shall answer every question so entered, if not previously withdrawn by the member putting it, in the order in which it stands in the paper, before any other business is entered upon at the meeting :

Provided that the Chairman may, at his discretion, on the ground of public interest, answer a question on the agenda paper, even-though the question may have been withdrawn.

6. Any member may put a supplementary question for the purpose of further elucidating any matter of fact regarding which an answer has been given :

Provided that the Chairman shall disallow any supplementary question if, in his opinion, it infringes the rules as to the subject-matter of questions :

Provided also that he may decline to answer a supplementary question without notice, in which case it may be put only in the form of a fresh question at a subsequent meeting of the panchayat union council.

7. No discussion shall be permitted in respect of any question or of any answer given to a question asked under these rules.

8. The question asked and the answer given to it shall be entered in the proceedings of the panchayat union council.

9. In these rules " Chairman " includes the person for the time being in charge of the office of the Chairman under sub-section (1) (2), (4), (5) and (6) of section 37 of the Madras Panchayats Act, 1958.

## NOTIFICATION No. 13.

In exercise of the powers conferred by sub-section (3) of section 182 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Governor of Madras hereby makes the following rules :—

### Rule.

*Authority for taking possession of properties of Panchayat Union Councils from outgoing Chairman, etc.*

The prescribed authority for the purposes of sub-section (3) of section 182 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) shall be the Divisional Panchayat Officer in respect of Panchayat Union Councils having jurisdiction.

NOTIFICATION No. 14.

In exercise of the powers conferred by clause (xxxvii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Governor of Madras hereby makes the following rules :—

RULES.

*Grant of copies of proceedings or records.*

1. A person requiring copies of or extracts from proceedings or records of a panchayat union council shall submit an application (giving his full name and address and as accurate a description of the proceedings or records as possible) to the Commissioner. When the proceedings or records, copies of or extracts from which are applied for, belong to any year prior to the current calendar year, a search fee according to the scale specified below shall be remitted to the panchayat union council as soon as the application has been admitted—

(*a*) For searching the records of every additional year—Twenty-five naye Paise.

(*b*) For searching the records of every additional year—Twenty-five naye Paise.

NOTES.—(1) The term " person " includes a member, vice-chairman or chairman of a panchayat union council.

(2) A separate application need not be presented in respect of each proceeding or record of which a copy or extract is required.

(3) Enclosures of annexures to letters, accounts or other documents form part of the documents to which they appertain and shall not be reckoned for purposes of search as separate documents.

2. If the record is not found, the fee paid shall not be refunded, but the applicant shall be furnished with a certificate stating that the document applied for cannot be found.

3. (1) If the record is found and the Commissioner decides to grant copies of or extracts from it, the applicant shall deposit in cash, a fee of nineteen naye Paise for every 175 words or part thereof.

(2) In the case of statements or extracts from registers where figures have to be copied, five figures shall be taken as equivalent to one word.

(3) In the case of maps or plans a reasonable fee shall be fixed by the Commissioner in consultation with the engineering staff in charge of the panchayat union works.

4. The Commissioner shall intimate to the applicant the fees chargeable for the copy of, or extract from the proceedings or record. On receipt of the fee he shall have the copies, extracts, or

tracings prepared. The copies or extracts shall then be certified by him as true after scrutiny in office and furnished to the applicant if he appears in person to receive them, or sent by post if the applicant has deposited necessary postage stamps for the purpose.

5. A receipt signed by the Commissioner or any person empowered by him in this behalf shall be furnished to every person depositing search fees or copying fees.

6. If the Commissioner considers the grant of the copy of or extracts from any proceeding or record objectionable, he shall reject the application by an endorsement stating briefly the reasons for doing so.

NOTIFICATION No. 15.

In exercise of the powers conferred by section 50 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Production of Documents by Commissioner.*

The Commissioner shall comply with every requisition of the panchayat union council, to produce any document which is in his custody unless in his opinion immediate compliance therewith would be prejudicial to the interests of the panchayat union or of the public, in which case he shall make a declaration in writing to that effect and shall, if required by the panchayat union council, refer the question to the Inspector or to any officer empowered by the Inspector in this behalf and the decision of such Inspector-officer shall be final.

NOTIFICATION No. 16.

In exercise of the powers conferred by clause (xviii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Manner of publication of notification or notice.*

1. Every notification issued under the Act by the Government or the Inspector shall be published in the *Fort St George Gazette.*

2. Save as otherwise expressly provided in the Act or in the rules made thereunder, every notification under the Act other than one issued by the Government or the Inspector shall be published in the official gazette of the district to which such notification applies both in English and in Tamil :

Provided that the Government shall have power to direct that any such notification—

(i) shall be published in the said gazette either in English or in Tamil,

(ii) shall, instead of being published in the said gazette, be published in any other manner specified by them, or

(iii) shall, in addition to being published in the said gazette be published in such manner as may be specified by them.

3. Whenever a panchayat union council sets apart any place for any purpose or prohibits the doing of any thing in any place the Commissioner shall cause to be put up in such place a notice in Tamil specifying the purpose for which such place has been set apart or the act prohibited in such place.

4. Save as otherwise expressly provided in the Act or in the rules made thereunder, every notice to the public under the Act shall be published—

(*a*) by affixing a copy thereof in some cospicuous place in-

(i) the office of the panchayat union council; and

(ii) the chavadi or chavadies, if any, in the village or town; and

(*b*) by beat of drum in the village or town.

5. In these rules, the words, " the Act ", mean the Madras Panchayats Act, 1958.

NOTIFICATION No. 17.

In exercise of the powers conferred by section 82 and clauses (xviii), (xxxiv) and (xxxvi) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Prohibition against obstructions in or over public roads, removal of encroachments, etc.*

1. (1) No person shall work in a quarry or remove stone, earth or other material from any place within twenty yards of a public road or of other immovable property vesting in or belonging to the panchayat union council except under a licence issued by the panchayat union council. The panchayat union council may either grant or refuse to grant a licence and in the latter case the reasons for refusal shall be communicated to the person or persons concerned.

(2) If, in the opinion of the panchayat union council, the working of any quarry or the removal of stone, earth or other material from any place is dangerous to persons residing in or having legal access to, the neighbourhood thereof, or creates or is likely to create a nuisance, the panchayat union council may require the owner or person having control of the said quarry or place to discontinue working the same or to discontinue removing stone, earth or other material from such place or to take such order with such quarry or place as it shall deem necessary for the purpose of preventing danger or of abating the nuisance arising or likely to arise therefrom.

2. (1) No door, gate bar or ground-floor window shall be hung or placed so as to open outwards upon any public road vested in the panchayat union council without a licence from the Commissioner.

(2) The Commissioner may, by notice, require the owner of such door, gate, bar or window to alter it so that no part thereof, when open, shall project over the public road.

3. (1) The Commissioner may, by notice, require the owner or occupier of any premises, to remove or alter any projection, encroachment, or obstruction (other than a door, gate, bar or ground-floor window) situated against or in front of such premises and in or over any public road vested in the panchayat union council.

(2) If the owner or occupier of the premises proves that any such projection, encroachment or obstruction has existed for a period sufficient under the law of limitation to give any person a prescriptive title thereto, or that it was erected or made with the permission or licence of any local authority duly empowered in that behalf, and that the period, if any, for which the permission or licence is valid has not expired, the panchayat union council shall make reasonable compensation to every person who suffers damage by the removal or alteration of the same.

4. (1) The Commissioner may, with the approval of the panchayat union council, grant a licence, subject to such conditions and restrictions as he may think fit, to the owner or occupier of any premises to put up verandas, balconies, sun-shades, weather-frames and the like, to project over a public road vested in the panchayat union council or to construct any step or drain-covering necessary for access to the premises.

(2) Every application for a licence under sub-rule (1) shall furnish information as to the materials of which it is proposed to construct the structure and the period for which a licence is required.

(3) The licence may be granted or renewed by the panchayat union council, if the structure is of temporary materials, such as palmyra or coconut leaves, bamboo or other matting or gunny, cloth or other similar material, or is of such a nature as to be movable daily, and if the period of the licence does not exceed twelve months.

(4) No licence for a structure not in accordance with the description given in sub-rule (3), or for a period exceeding twelve months, shall be granted by a panchayat union council except with the previous approval of the Collector, who, in granting approval, may lay down such conditions as he may consider necessary subject to which the licence may be granted by the panchayat union council. The panchayat union council shall embody such conditions in the licence before it is granted.

In the case of a licence granted under this sub-rule, the approval of the Collector shall not be necessary for its renewal if such renewal does not extend the duration of the licence for a period exceeding three years.

(5) Licence for the construction of steps or drain-coverings necessary for giving access to premises shall be granted subject to the following further conditions which should be specified in the licences :—

(i) The steps or slabs over drains shall not project into the road side beyond the retaining wall of the drain. The step or slab over the drain leading to a premises directly abutting on the road shall not be more than three feet long in the case of domestic premises and five feet long in the case of shops or business premises, but in the case of shops or business premises which have a frontage of less than 20 feet in length, only one flight of steps shall be allowed. In the case of premises having a compound in front, into which vehicular traffic is likely to pass over the drain, the Commissioner shall fix the length of the covering.

(ii) Coverings over drains shall be flush with the top of the retaining walls of the drains, provided that the depth of the drain below the coverings is considered sufficient by the panchayat union council to carry the storm flow. A covering slab may be laid on the top of the retaining walls in rare cases where it may be necessary to do so in order that the water-way of the drain may not be restricted, or in cases where the licensing authority has no objection, provided that the previous sanction of the Collector is obtained and that a suitable cement concrete ramp is constructed on the road side of the raised slab leading from the level of the top of the slab to the road level.

(iii) The drain-covering in the case of premises abutting on the road shall be 2 to 4 inches in thickness for drains 6 to 36 inches according to the size of the drain. In the case of premises with a compound in front where heavy vehicular traffic is likely to pass over the drain, the covering may be granite or reinforced concrete slabs of the following thickness :—

| | *Reinforced concrete slabs.* | *Granite slabs, each 18 inches wide, if no cover over.* |
|---|---|---|
| | INCHES. | INCHES. |
| **Over drains 6 to 12** .. .. .. .. .. | 4 | 5 |
| **Over drains 15 to 24** .. .. .. .. .. | 6 | 7 |
| **Over drains 27 to 36** .. .. .. .. .. | 7 | 9 |

In the case of larger drains, the thickness and material of the covering shall be such as may be decided by the Commissioner, in each case, to suit—

(a) the class of stone or other covering material used;

(b) the width of individual slab members carrying the load;

(c) the load concentration expected; and

(d) the depth of fill, if any, over the slab.

This condition may be relaxed in exceptional cases with the previous approval of the Collector.

(iv) They shall be liable to be removed at the cost of the licensee, whenever, necessary, in order that the drain may be inspected or repaired.

(v) The Commissioner may, whenever he thinks fit, by order in writing, direct the removal of the encroachment altogether without payment of compensation :

Provided that the order aforesaid shall specify the reasons for the action proposed and shall not be issued without notice to the persons concerned.

(vi) The top of the drain covering shall not be used as part of a shop or be otherwise encroached upon.

(6) The Collector shall have power to order the cancellation of any licence granted under sub-rule (3), (4) or (5) if, in his opinion, the projection, erection or structure which has been licensed, has become objectionable or if he considers it necessary in the public interest that the projection, erection or structure should be removed and upon such order, the panchayat union council shall promptly cancel the licence and have the projection, erection or structure removed.

(7) It shall be a condition of every licence granted under sub-rule (3), (4) or (5)—

(i) that it shall be liable to be cancelled at any time in the circumstances referred to in sub-rule (6); and

(ii) that an annual fee shall, if levied, be paid to the panchayat union council in advance so long as the licence is in force and that in default of payment of such fees, the licence is liable to be cancelled.

5. The Commissioner, may grant a licence, subject to such conditions and restrictions as he may think fit, for the temporary erection of pandals and other structures in a public road vested in the panchayat union council or in any other public place, the control of which is vested in the panchayat union council.

6. The Commissioner shall have powers, with the approval of the panchayat union council to lease road sides vested in the panchayat union council for occupation on such terms and conditions and for such period as the panchayat union council may fix.

7. But either a licence under rule 4 nor a lease under rule 6 shall be granted if the projection, construction or occupation, as the case may be, is likely to be injurious to health or cause public inconvenience or otherwise materially interfere with the use of the road as such.

8. The Government may, by notification, restrict and place under such control as they may think fit, the exercise by any panchayat union council or any class of panchayat union councils of the powers under rules 4 and 6.

9. On the expiry of any period for which a licence or lease has been granted under rules 4 to 6, the Commissioner may without notice, cause any projection or construction put up under rule 4 or rule 5 to be removed, and the cost of so doing shall be recoverable from the person to whom the licence was granted.

10. (1) No building shall be erected without the written permission of the Commissioner or of some other person authorized by the Commissioner over any sewer or drain or any part of a sewer or drain or upon any ground, which has been covered, raised or levelled wholly, or in part, by road sweepings or other rubbish.

(2) The said Commissioner or any person may, by notice, require any person who shall have erected a building without such permission or in a manner contrary to, or inconsistent with, the terms of such permission, to demolish the same.

11. The Commissioner may, by notice, require the owner or occupier of any land adjoining a public road or adjoining other land or water vested in the Panchayat Union Council to clear away prickly-pear, wattle, lantana, or other noxious vegetation where it encroaches on such property and so far as it was spread from such land on to such property.

12. (1) No person shall make a hole, or cause any obstruction in any public road vested in the panchayat union council unless he previously obtains the permission of the Commissioner and complies with such conditions as the Commissioner may impose.

(2) When such permission is granted, such person shall, at his own expense, cause such hole or obstruction to be sufficiently fenced and enclosed until the hole or obstruction is filled up or removed and shall cause such hole or obstruction to be sufficiently lighted during the night.

(3) If any person contravenes the provisions of this rule, the Commissioner shall fill up the hole or remove the obstruction or cause the hole or obstruction to be lighted as the case may be, and may recover the cost of so doing from such person.

13. (1) The Commissioner shall have power to permit a person to plant any tree on any public road or other property vesting in or belonging to the panchyat union council on such conditions as the Commissioner may impose.

(2) The Commissioner shall have power to permit a person to fell, remove, destroy, lop or strip bark or leaves from or otherwise damage any tree referred to in section 82 (1) (*f*) of the Madras Panchayats Act, 1958, on such conditions as the Commissioner may impose.

14. (1) If any person, without the previous sanction of the Panchayat Union Council occupies any land which is set apart for any public purpose, and is vested in, or belongs to it, he shall be bound to pay in respect of such occupation such sum as may be demanded by the Panchayat Union Council by way of penalty.

(2) The Commissioner may by notice require any person on whom a penalty has been or may be imposed under sub-rule (1) to vacate such land and to remove any building or other construction or anything deposited on it.

(3) If any damage to the property of the Panchayat Union Council has been caused by any person occupying any land for which he is liable to pay penalty under sub-rule (1), he shall be liable to pay compensation to the Panchayat Union Council for such damage in addition to, and irrespective of, any penalty that may be imposed on or recovered from him.

(4) The compensation and penalty due from any person under this rule shall be demanded by bill and recovered as miscellaneous dues in accordance with the rules relating to receipts and expenditure of panchayat union councils.

## NOTIFICATION No. 18.

In exercise of the powers conferred by sub-section (1) of section 178 of the Madras Village Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Manner of service of documents other than notices.*

When any document other than a notice is required by the Madras Panchayat Act, 1958 (Madras Act XXXV of 1958) or by any rule, by-law, regulation or order made thereunder, to be served on, or sent to, any person, the service of sending thereof may be effected :—

(i) by giving or tendering the said document to such person; or

(ii) if such person is not found, by leaving such document at his known place of abode or business, or by giving or tendering the same to some adult member or servant of his family; or

(iii) if such person does not reside in the village or town as the case may be and his adddess elsewhere is known to the Commissioner by sending the same to him by registered post; or

(iv) if none of the means aforesaid be available, by affixing the same in some conspicuous part of such place of abode or business.

## CHAPTER II—ESTABLISHMENT.

### NOTIFICATION No. 19.

In exercise of the powers conferred by sub-sections (1) and (2) of section 58, sections 59 and 61 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Power of Government to relax rule or regulation in respect of establishment of Panchayat Union Councils.*

No rule or regulation made under the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) shall be construed to limit or abridge the power of the Government to deal with the case of any officer or servant of Panchayat Union Council or any candidate for appointment to the service of a Panchayat Union Council in such manner as may appear to them to be just and equitable :

Provided that where any such rule or regulation is applicable to the case of any such officer or servant of a Panchayat Union Council or to any candidate for appointment to the service of a Panchayat Union Council the case shall not be dealt with in any manner less favourable to such officer or servant of the Panchayat Union Council or to the candidate for appointment to the service of the Panchayat Union Council as the case may be than that provided by that rule or regulation.

### NOTIFICATION No. 20.

In exercise of the powers conferred by sub-section (1) of section 58 and section 61 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Personal conduct of officers and servants of Panchayat Union Councils.*

1. *Gifts, gratuities and rewards.*—(1) Save as otherwise provided in these rules, an officer or servant of a Panchayat Union Council shall not, except with the previous sanction of the Commissioner accept directly or indirectly on his own behalf or on behalf of any other person, or permit any member of his family so as to accept, any gift, gratuity or reward or any offer of a gift, gratuity or reward from any person who is not related to him.

(2) Subject to the provisions of any general or special order of the Government, an officer or servant of a Panchayat Union Council may accept from any person a complimentary gift of flowers or

fruits or similar articles of trifling value, but all officers and servants of a Panchayat Union Council shall use their best endeavours to discourage the tender of such gifts.

(3) Subject to the provisions of any general or special order of the Government, an officer or servant of a Panchayat Union Council may accept, or permit any member of his family to accept, from a person who is his personal friend, a wedding gift of a value which is reasonable in all the circumstances of the case. All officers and servants of a Panchayat Union Council shall use their best endeavours to discourage the tender of such gifts and such acceptance or permission shall be reported to the Commissioner and if the Commissioner so requires, the gift shall be returned to the donor.

(4) If an officer or servant of a Panchayat Union Council cannot, without giving undue offence, refuse a gift of substantial value from a person, he may accept the same, but shall, unless the Panchayat Union Council otherwise directs, deliver the gift to the Panchayat Union Council.

(5) Subject to the provisions of any special or general order of the Government, a medical or veterinary officer of a Panchayat Union Council may accept any gift, gratuity or reward offered in good faith by any person or body of persons in recognition of his professional services :

Provided that no veterinary officer of a Panchayat Union Council shall accept any gift, gratuity or reward for inoculating animals against contagious diseases.

(6) No officer or servant of a Panchayat Union Council shall make a habitual use of vehicles or animals belonging to others or travel free of charge in any vehicle plying for hire.

2. *Subscriptions*.—An officer or servant of a Panchayat Union Council shall not take any part in the collection of subscriptions for any public or local purpose :

Provided that the Commissioner may, in consultation with the Senior Deputy Inspector of Schools in the case of teachers employed in elementary schools for boys and the Sub-Assistant Inspectress of Schools in the case of teachers employed in elementary schools for girls, accord permission to teachers to collect subscriptions for the following purposes, namely :—

(i) School day or parents' day celebrations including prizes for class work and sports and school entertainments by pupils;

(ii) poor pupils' fund for providing fees or books or food for deserving pupils;

(iii) school excursions; and

(iv) educational exhibitions and propaganda.

The headmaster or headmistress of the school shall be responsible for the proper maintenance of the accounts relating to such collections and the expenditure therefrom.

The headmaster or headmistress shall prepare a statement of receipts and charges for each purpose separately and submit to the Commissioner within a week after the close of the celebration or after the accounts are settled in other cases. These accounts shall also be made available for the scrutiny of the inspecting officers either at visits to schools or at inspection. The balance of collections, if any, shall be deposited in the post office savings bank.

3. *Purpose of resignation.*—Officers or servants of a Panchayat Union Council shall not enter into any pecuniary arrangement for the resignation by one of them of any office under the Panchayat Union Council for the benefit of others. Should this rule be infringed, any appointment consequent upon such resignation shall be cancelled and such parties to the arrangement as are still in the service shall be suspended pending the orders of the Commissioner.

4. *Control over immovable property held or acquired by officers and servants of Panchayat Union Councils.*—Every officer or servant of a Panchayat Union Council or candidate for service under a Panchayat Union Council shall make to the Commissioner a declaration of all immovable property which may from time to time be held or acquired by him or by his wife or by any member of his family living with or in any way dependent on him. Such declaration shall state the district within which the property is situated and shall give such further information as the Panchayat Union Council may by general or special order require.

This rule shall apply only to officers and servants in and candidates for appointment to the superior service as deemed in rules regulating the grant by Panchayat Union Councils of gratuity to their officers and servants.

NOTES.—(i) The declaration must include all immovable property held or acquired wherever situated in India. It should, as far as possible, give all the details specified in the form in Appendix A.

(ii) Every officer or servant of a Panchayat Union Coucil shall submit to the Commissioner not later than the 15th January in each year a statement in the form given in Appendix A showing all the immovable property of which he stood possessed, or in which he had an interest at the close of the preceding calendar year. In columns (6) to (16) and (19) to (21) of the form, particulars shall be entered of any immovable property relinquished or otherwise disposed of.

(iii) If in any year an officer or servant of a Panchayat Union Council has neither acquired nor relinquished or otherwise disposed of any immovable property or any interest in immovable property, he may instead of a return in the form given in Appendix A submit a certificate in the form below :—

" I, A.B., do solemnly declare that since the submission by me of the return/ certificate on . . . . . I have not acquired or become possessed of, either in my own name or in that of any other person, or relinquished or otherwise disposed of any immovable property or any beneficial or other interest, in immovable property.

Place (Signature) A.B.,

Date Official designation. ".

(iv) The annual return shall include all immovable property acquired or registered in the name of the officer or servant of the Panchayat Union Council either on his own account or as a trustee, executor or administrator or temple mirasdar or acquired or registered in the name of or held or managed by his wife or by any other member of his family living with or in any way dependent on him. In the case of an officer or servant or a Panchayat Union Council who follows the Marumakkathayam or Aliyasanthana Law the statement shall include acquisitions of immovable property by his consort.

(v) A statement in the form given in Appendix B showing the immovable property held by each officer or servant shall be recorded in his service book. This statement shall be revised every year with reference to the particulars furnished under Note (ii) above. Every entry or alteration in the statement shall be duly attested by the officer competent to record the certificate of annual verification in the service book concerned.

(vi) A candidate for appointment under a Panchayat Union Council shall submit with his application a statement in the form given in Appendix A.

(vii) Any attempt to mislead and any failure to give full and correct information will render the officer or servant concerned liable to dismissal from service.

5. *Promotion and management of companies.*—(1) No officer or servant of a Panchayat Union Council shall accept paid employment in any company, or mutual benefit society, or act as an agent, whether paid by salary or by commission to the Life Insurance Corporation of India, any insurance company or societies.

(2) Any officer or servant of a Panchayat Union Council may, with the previous sanction of the Commissioner take part in the management of a mutual benefit society, provided that no remuneration is accepted therefor.

(3) Any officer or servant of a Panchayat Union Council may take part in the promotion of co-operative societies and may with the previous sanction of the Commissioner, hold office in any co-operative society, to serve on any committee appointed for its management, or accept remuneration from it for any service rendered by him.

(4) Before according sanction in any case under sub-rule (2) or (3), the Commissioner shall satisfy himself that the work undertaken by the officer or servant will be performed without detriment to his official duties.

6. *Private trade or employment.*—(1) An officer or servant of a Panchayat Union Council shall not engage in any trade or undertake any employment other than his public duties;

(2) (*a*) An officer or servant of a Panchayat Union Council may undertake honorary work of a social or charitable nature or occasional work of a literary or artistic character provided that his official duties do not suffer thereby. But the Panchayat Union Council may at any time forbid him to undertake or require him to abandon any employment which in its opinion is undesirable.

(*b*) No teacher shall undertake private tuition without the written permission of the Commissioner.

(3) The Commissioner may in consultation with the Senior Deputy Inspector of Schools in the case of teachers employed in elementary schools for boys and the Sub-Assistant Inspectress of

Schools in the case of teachers employed in elementary schools for girls, accord permission to teachers under the following items of work, namely : —

(i) broadcast talks on educational problems,

(ii) writing of text-books for class work or for use in libraries in exceptional cases, subject to the following conditions, namely :—

(*a*) The teacher shall not retain copyright in or interest in the sale of copies of any text-book written by him for use in a recognized school in this State. He may accept only a definite lumpsum as remuneration from the publishing firm or any other party.

(*b*) No teacher who is a member of the Text-Book Committee shall write or edit any text-books for use in a recognized school, during his membership of the Committee.

*Explanation.*—A recognized school shall mean a school maintained by or opened with the sanction of the Government or to which recognition has been accorded under the Madras Educational Rules or under the rules framed under the Madras Elementary Education Act, 1920.

(iii) examinership for public examinations;

(iv) service as part-time post-master or as part-time clerk of a panchayat, provided that no teacher shall be permitted to hold at the same time the post of a part-time post-master and part-time clerk of a panchayat.

(4) (*a*) Save as otherwise provided for in sub-rule (3), in the case of broadcast talks on educational problems, no officer or servant of a Panchayat Union Council shall deliver a broadcast talk at a broadcasting station on any subject without the previous permission of the Inspector. The Inspector may refer any case to Government for orders if he considers such a course desirable.

(*b*) An officer or servant of a Panchayat Union Council who is invited or who wishes to deliver a broadcast talk shall intimate to the Inspector through the proper channel, the subject on which he proposes to talk and if it is on a subject directly or indirectly connected with his official duties, or if so required, shall submit the full text of the talk for the approval of the Inspector before it is delivered.

(*c*) The provisions of clauses (*a*) and (*b*) shall apply *mutatis mutandis* to the broadcast of an officer or servant of a Panchayat Union Council of musical or other performances (including the playing of prepared 'recitals' or gramaphone records).

7. *Pecuniary transactions with contractors.*—All officers and servants of Panchayat Union Councils are prohibited from having any pecuniary transactions with the Panchayat Union Council. contractors or any other person in any way connected with any department under the Panchayat Union Councils.

8. *Insolvency and habitual indebtedness.*—An officer or servant of a Panchayat Union Council shall avoid habitual indebtedness. If he is adjudged or declared insolvent, or has incurred debt aggregating a sum which in ordinary circumstances he could not repay within a period of two years or if a part of his salary is frequently attached for debt, has been continuously so attached for a period of two years, or is attached for a sum which, in ordinary circumstances, he could not repay within a period of two years, he may, unless he proves that the insolvency or indebtedness is the result of circumstances which, with the exercise of ordinary diligence, he could not have foreseen or over which he had no control, and has not proceeded from extravagant or dissipated habits, be presumed to have contravened this rule. An officer or servant of a Panchayat Union Council who applies to be or is adjudged or declared insolvent, shall forthwith report his insolvency to the head of the office or department in which he is employed.

9. *Communication of official documents or information.*—No officer or servant of a Panchayat Union Council, shall except when generally or specially empowered in this behalf by the Panchayat Union Council, communicate directly or indirectly any document or information which has come into his possession in the course of his official duties or has been prepared or collected by him in the course of those duties, whether from official sources or otherwise, to any other officer or servant of the Panchayat Union Council or an officer or servant of any other local authority or a servant of the Government unauthorized to receive the same, or to a non-official person or to the press.

10. *Connection with the press.*—An officer or servant of a Panchayat Union Council shall not become a proprietor in whole or in part or conduct or participate in the editing or management of any newspaper or other periodical publication.

11. *Restrictions on the publication of documents and on communications to the press.*—(1) No officer or servant of a Panchayat Union Council shall, in any radio broadcast or in any document published anonymously or in his own name or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion—

(i) which has the effect of an adverse criticism of any current or recent policy or action of the Central Government or a State Government, Panchayat Union Council or a panchayat, or a municipal council; or

(ii) which is capable of embarrassing the relations between the Central Government, the State Government, panchayat, panchayat union councils and municipal councils; or

(iii) which is capable of embarrassing the relations between the Central Government and the Government of any foreign State :

Provided that nothing in this rule shall apply to any statements made or views expressed by an officer or servant of a panchayat union council in his official capacity or in due performance of the duties assigned to him.

(2) An officer or servant of a Panchayat Union Council who intends to publish any document under his own name or to make any communication to the press under his own name or to deliver any public utterance containing statements in respect of which any doubt as to the application of the restrictions imposed by sub-rule (1) may arise, shall submit to the Inspector a copy of the draft of the document which he intends to publish or of the communication which he intends to make or of the utterance which he intends to deliver, and shall not publish the document, make the communication or deliver the utterance save with the sanction of the Inspector and with such alterations, if any, as he may direct.

12. *Evidence before committees.*—An officer or servant of a Panchayat Union Council shall not give evidence before a public committee, unless he has first obtained the permission of the Commissioner. In giving such evidence he shall not criticise the policy or decisions of the Panchayat Union Council or of the State or Central Government.

This rule shall not apply to the evidence given before statutory committees with power to compel attendance and the giving answers or to evidence given in judicial enquiries.

13. *Taking part in elections.*—An officer or servant of a Panchayat Union Council shall not stand as a candidate, or interfere, or use his influence in any way or do anything in aid or in obstruction of any candidate, in any election to a legislative body or local authority, nor shall he take part in or subscribe in aid of any electioneering party organization :

Provided that an officer or servant of the Panchayat Union Council who is qualified to vote at such an election may exercise his right to vote but shall, as far as possible, avoid giving any indication of the manner in which he proposes to exercise that right.

This rule shall apply only to whole-time officers and servants.

14. *Taking part in politics.*—Subject to any general or special order of the Government, no officer or servant of a Panchayat Union Council, shall take part in, subscribe in aid of, or assist in any way any political movement in India, or relating to Indian affairs. When there is room for doubt whether any action which an officer or servant proposes to take will contravene this rule, he should refer the matter to the Inspector through the Commissioner whose decision thereon shall be final.

**Note.**—Subversive activities or the expression of disloyal sentiments by an officer or servant will be regarded as sufficient ground for dispensing with his services.

15. *Responsibility of officers and servants for acts of their family.*—An officer or servant of a Panchayat Union Council is responsible for any act done by his wife or by any other member of his family living with or in any way dependent on him which, if done by himself, would constitute a breach of the rule.

16. *Vindication of act and character of Panchayat Union Council officer or servant as such.*—An officer or servant of a Panchayat Union Council may not, without the previous sanction of the Commissioner, have recourse to any court or to the press for the vindication of his official acts or character from defamatory attacks.

Nothing in this rule shall limit or otherwise affect the right of any officer or servant of a Panchayat Union Council to vindicate his private acts or character.

17. *Address while under suspension.*—When an officer or servant of a Panchayat Union Council is suspended, he is free to go where he likes, but he shall leave his address with the Commissioner. He shall also leave his address with the officer, if any, holding an enquiry into his conduct.

He shall obey all orders to attend any inquiry into his conduct and if he fails to do so, the inquiry may be held in his absence.

18. *Influencing superior authorities for furtherance of interests.*—No officer or servant of a Panchayat Union Council shall bring or attempt to bring any political or other outside influence to bear upon any superior authority for the furtherance of his interests. The penalty for a contravention of this rule shall be the withholding of promotion from him either permanently or for such period as the Commissioner may determine, or the reduction to a lower stage in the time-scale of pay.

*Explanation.*—An officer or servant of a Panchayat Union Council causing his own case to be made a subject of an interpellation in the Panchayat Union Council or in Parliament or in the State Legislature contravenes this rule.

19. *Addressing or interviewing superior authorities.*—(1) No officer or servant of a Panchayat Union Council may address directly any superior authority other than that to which he is immediately subordinate in any matter relating to his official duties or affecting him personally as such officer or servant.

(2) No officer or servant of a Panchayat Union Council may approach any person, official or non-official, other than the officer to whom he is immediately subordinate in order to enlist support

**NOTE—An officer or servant of a Panchayat Union Council who has addressed through his immediate superior authority may, if he wishes submit to the superior authority direct, a copy of the communication sent through his immediate official superior.**

in respect of a matter affecting him personally as an officer or servant of a Panchayat Union Council or to obtain testimonials or certificates.

(3) No officer or servant of a Panchayat Union Council may, except with the previous permission of the authority to which he is immediately subordinate, seek an interview with any officer than his immediate superior in respect of any matter affecting him personally as such officer or servant and no officer or servant of a Panchayat Union Council may seek such an interview with a Minister or a Secretary to Government.

(4) Every application by an officer or servant of a Panchayat Union Council for an appointment or for promotion shall be sent through the proper channel.

20. *Public demonstration in honour of officers and servants of Panchayat Union Councils.*—(1) No officer or servant of a Panchayat Union Council shall receive any complimentary or valedictory address, or attend any public meeting or entertainment held in his honour. There is, however, no objection to an officer or servant attending a farewell entertainment given to him by personal friends or by a club of which he is a member; but in accepting an invitation, the officer or servant shall make it clear that the function must be purely private and on no account assume the character of a public entertainment, that no address shall be presented to him and that no report of the proceedings shall be published in the public press.

(2) No officer or servant of any rank shall accept an entertainment from his subordinates.

21. No officer or servant of a Panchayat Union Council shall be a member of any association, union or federation of officers and servants of Panchayat Union Councils if a person who is not an officer or servant of a Panchayat Union Council, is a member, office-bearer or patron of such association, union or federation.

22. *Discussion of the policy or action of Government.*—No Officer or servant of a Panchayat Union Council shall by any utterance, writing or otherwise, discuss or criticise in public or at any meeting of any association or body, any policy pursued or action taken by the Central Government or a State Government, a Panchayat or a Panchayat Union Council, or a municipal council, nor shall he in any manner participate in any such discussion or criticism :

Provided that nothing contained in this rule shall be deemed to prohibit—

(1) any officer or servant of a Panchayat Union Council from participating in discussions at any private meeting solely of the officers and servants of Panchayat Union Councils or of any recognized association of their own, of matters which affect the personal interest of such officers or servants individually or generally; or

(2) any officer or servant of a Panchayat Union Council from defending and explaining in public or private meetings any policy or action of the State Government, Panchayat Union Council, Panchayat or Municipal Council for the purpose of removing misapprehensions and correcting mis-statement or for the purpose of effectively carrying out such policy.

*Explanation.*—Nothing contained in this rule shall be construed to limit or abridge the power of the State Government to require any officer or servant of a Panchayat Union Council to publish and explain any policy or action of the Government in such manner as may appear to them to be expedient or necessary.

23. (1) *Application for private employment.*—No officer or servant of a Panchayat Union Council shall apply for private employment or signify his willingness to accept such employment without having previously obtained the permission in writing of the Commissioner.

(2) (*a*) Permission to apply for or accept private employment shall normally be granted to a person who is on leave preparatory to retirement unless the employment is in a trading concern in India. Permission to apply for or accept privtte employment in a trading concern in India will be granted only in very exceptional cases and may be subject to the condition of immediate retirement of the officer or servant from the services of the Panchayat Union Council concerned.

(*b*) Permission to apply for or accept private employment shall not be granted to any other officer or servant of the panchayat Union Council unless the Commissioner is satisfied that his premature resignation may be accepted without detriment to the services of the Panchayat Union Council.

(3) If a person who is refused permission to apply for or accept private employment wishes to resign his appointment under a Panchayat Union Council, such resignation shall ordinarily be accepted.

(4) Where a person who is not on leave preparatory to retirement is permitted to apply for or accept private employment, he shall resign his appointment under the Panchayat Union Council immediately on accepting such employment.

## APPENDIX A.

***Statement of immovable property and interest in immovable property possessed, acquired or transferred by during the year ending the 31st December 19 .***

**NOTE.—Property in which the officer or servant had acquired an interest before the year for which the return is submitted and in which he retained an interest during that year should be shown first, then those properties regarding which transaction took place during the year.**

1 Name of officer or servant .. .. .. ..

2 Office held .. .. .. .. .. .. ..

3 Date of entertainment in service .. .. ..

4 Nature of property, i.e.—

(1) Houses (stating whether they are with or without gardens) and the uses to which they are put.

(2) Lands whether used for purposes of agriculture or as gardens or for any other purposes.

5 Whether acquired before or during 19 . .. ..

6 Whether relinquished during 19—

Situation of land or other property—

7 Village .. .. .. .. .. .. ..

8 Taluk .. .. .. .. .. .. ..

9 District .. .. .. .. .. .. ..

10 Survey number .. .. .. .. .. ..

Extent and assessment of lands.

Dry.

11 Extent .. .. .. .. .. .. ..

12 Assessment .. .. .. .. .. .. ..

Wet—

13 Extent .. .. .. .. .. .. ..

14 Assessment .. .. .. .. .. .. ..

15 Circar or inam .. .. .. .. .. ..

16 From whom acqired or in whose favour relinquished ..

17 In whose name registered after acquisition or before relinquishment.

18 By what means and for what purpose acquired .. ..

19 Year, month and day of deed .. .. .. ..

20 Right possessed in the land .. .. .. ..

21 Price paid or obtained for the land .. .. ..

22 Remarks .. .. .. .. .. .. ..

I,                                   do solemnly declare that I do not at this time possess either in my own name or in that of any other person and that I have not during the year 19  , acquired or parted with any immovable property or any benficial or other interest in immovable property other than what is entered in this return.

Station                                                   (Signature.)

Date                                                       (Office.)

NOTES.—(1) The statement must be submitted punctually on the 15th January of each year.

(2) New acquisitions during the year to which the return relates should be entered in red ink.

(3) Particulars of any immovable property of which an officer may have become dispossessed during the year should also be entered in the annual return.

APPENDIX B.

*Statement of immovable property and interest in immovable property held by officers and servants of Panchayat Union Councils.*

1 Name of the officer or servant .. .. .. ..
2 Date of entertainment in service .. .. ..
3 Office held .. .. .. .. .. .. ..
4 District and division in which property is situated ..

Particulars regarding property—

5 Nature of property .. .. .. .. ..
6 Extent .. .. .. .. .. .. ..
7 Assessment .. .. .. .. .. .. ..
8 In whose name registered .. .. .. ..
9 When acquired, inherited, etc. .. .. .. ..
10 By what means and for what purpose acquired .. ..
11 Nature of interest possessed by the officer or servant concerned in such property.

12 Remarks .. .. .. .. .. .. ..

NOTIFICATION No. 21.

In exercise of the powers conferred by section 59 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Appointment of common officer or servant for two or more Panchayat Union Councils.*

1. The Inspector may, when necessary, require two or more Panchayat Union Councils to appoint the same officer or servant, not being a Commissioner to exercise or discharge any powers or duties of a similar nature for both or all of them :

Provided that the Inspector shall consult the Director of Public Health in respect of proposals relating to the public health establishment.

2. The Panchayat Union Councils concerned shall meet the salary allowances payable to such officer or servant, together with contributions payable towards his leave salary or provident fund in such proportion and in such manner as may be laid down by the Inspector with reference to the income of the Panchayat Union Councils, the outturn of work of such officer or servant, or any other data which the Inspector may consider suitable for the purpose.

3. The Inspector shall specify the Commissioner of one of the Panchayat Union Councils concerned for the purpose of exercising the powers referred to in section 61 of the Madras Panchayats Act, 1958.

4. If the Commissioner of any of the Panchayat Union Councils concerned is not satisfied with the exercise of the powers referred to in rule 3 by the Commissioner specified under that rule, the Commissioner first mentioned may refer the matter to the Inspector whose decision on such reference shall be final.

NOTIFICATION No. 22.

In exercise of the powers conferred by sub-section (1) of section 58 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Payment of arrear claims of Panchayat Union Council Staff.*

1. (1) Any claim of an officer or servant of a Panchayat Union Council for arrears of pay, allowances or increments of pay which has been allowed to remain in abeyance shall, before payment, be investigated by the Commissioner—

(i) with the sanction of Panchayat Union Council in the case of claims relating to a period exceeding six months but not exceeding two years; and

(ii) with the sanction of the Panchayat Union Council and of the Collector in the case of claims relating to a period exceeding two years.

(2) No claim for travelling allowance shall be entertained if it is made after three months from the date of completion of the journey to which it relates. Countersigning officers shall refuse to countersign bills presented after three months from the date of completion of the journey for which travelling allowance is claimed.

2. The payment of an arrear claim ordered under rule 1 shall not exceed the amount found to be actually due under the claim in respect of a period of one year immediately preceding the date of detection of the under-payment. If, in any particular case, it is considered that for special reasons, a larger concession should be granted, the Commissioner shall consult the Examiner of Local Fund Accounts in the first instance and then obtain, if the Examiner of Local Fund Accounts so adivses, the sanction of the Collector for payment of arrears for a period exceeding one year :

Provided that consultation with the Examiner of Local Fund Accounts shall not be necessary in respect of arrear claims involving a sum not exceeding rupees twenty-five in each case.

*Explanation.*—For the purpose of this rule, the date of detection of an under-payment shall be the date on which the under-payment is detected by or brought to the notice of the Commissioner or, if it is first detected in audit, the date of detection by the Audit Department. An arrear claim resulting from an order issued with retrospective effect does not arise until the order is issued and shall not, therefore, be treated as a claim allowed to remain in abeyance during the period prior to the date of the order. An order passed with retrospective effect shall, for the purposes of this explanation, be deemed to be one, which in the circumstances of the case, could not have been passed earlier or which was deliberately held over pending consideration.

3. The power conferred on the Panchayat Union Council by rule 1 shall not be delegated by the Panchayat Union Council.

NOTIFICATION No. 23.

In exercise of the powers conferred by sections 58 (1) and 178 (1) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Grant of holidays by Panchayat Union Councils to institutions under their control.*

The offices and institutions under the control of Panchayat Union Councils shall be permitted to observe only such public and special local holidays as may be sanctioned by the Government from time to time in respect of Government offices and institutions :

Provided that the grant of holidays to educational institutions under the control of Panchayat Union Councils shall be regulated in accordance with Madras Educational Rules :

Provided further that no Panchayat Union Council shall grant to offices and institutions under its control holidays other than those sanctioned to Government offices and institutions without the previous sanction of the Inspector.

## CHAPTER III—FUNCTIONS AND POWERS.

NOTIFICATION No. 24.

In exercise of the powers conferred by sub-section (1) of section 85 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Transfer of irrigation functions to Panchayat Union Councils.*

The conditions subject to which the functions in respect of village irrigation works specified in sub-section (1) of section 85 of

the Madras Panchayats Act, 1958, may be transferred to Panchayat Union Councils shall be as follows :—

(1) The transfer shall not be made unless a majority of the ayacutdars desire it. The transfer of a work in the charge of the Public Works Department shall not be made after consultation with the Chief Engineer for Irrigation.

(2) The Panchayat Union Council shall, with effect from the date from which functions in respect of any village irrigation work are transferred to it, make its own arrangements for the discharge thereof and shall, if necessary, employ its own staff. In the exercise of such functions, the Panchayat Union Council shall also have general control over the nirgantis, if any, employed by the Government. The Revenue Department shall, however, retain the power of appointment, punishment, dismissal and payment.

(3) The Panchayat Union Council shall have power to regulate the manner and order in which the lands in the village under the irrigation work shall be irrigated, the time at which the supply of water shall commence, the period during which the supply of water shall continue and the total quantity of water to be supplied. But the Panchayat Union Council shall so exercise its power of regulation as not to interfere with any established or customary right to preferential or proportional supply.

(4) The Panchayat Union Council shall not effect any alteration in the sluices of the irrigation work or interfere with the standard and specifications laid down in the Tank Restoration Scheme Memoirs in respect of such work or raise, lower or extend the weirs or calingulas, or make any material alterations in or interfere with the headwork, if any, of the channels.

(5) The Panchayat Union Council shall be responsible for keeping watch over the bund of the irrigation work during the rainy season.

(6) The Panchayat Union Council shall make good any damage to the sluices, weirs, calingulas, channels, headworks, bund of other works forming part of or connected with the irrigation work resulting from its misfeasance or non-feasance, the decision of the District Collector as to whether any particular item of damage was the result of any misfeasance or non-feasance on the part of the Panchayat Union Council being final.

(7) The Panchayat Union Council shall not excavate earth at any time for any purpose within thirty feet of either toe of the bund of the irrigation work.

(8) Any function in respect of a village or town irrigation work transferred to a Panchayat Union Council may, at any time,

be resumed, without assigning any reason, by the Government or the authority to whom powers may be delegated under section 157 of the Madras Panchayats Act, 1958.

NOTIFICATION No. 25.

In exercise of the powers conferred by sub-section (2) of section 85, section 126, sub-section (1) and clause (xxii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Restrictions and control over execution of kudimaramat by Panchayat Union Councils—Levy of fees by Panchayat Union Councils.*

1. The Panchayat Union Council may levy an annual fee from all the registered holders of lands served by any irrigation work transferred to it for protection and maintenance, at such rate per acre as the Collector of the revenue district may, from time to time, determine.

The fee shall be levied at one flat rate per acre in the case of wet and dry lands irrigated from the irrigation work concerned, by direct flow, and at one half of such rate in the case of wet and dry lands irrigated from such work, by baling.

*Explanation.*—The fee shall be in addition to the wet or dry assessment and the water rate, if any, chargeable on the land.

2. The fee shall be collected by the Panchayat Union Council through the village headman or any other person belonging to the staff of the Land Revenue Department having jurisdiction over the village or any part thereof and shall be administered and expended by the Panchayat Union Council under the general or special orders of the Collector. The karnam shall furnish the demand account relating to the fee to enable the village headman to collect the amount. The village headman or any other person belonging to the staff of the Land Revenue Department shall be paid such remuneration, as may be determined by the Collector either by general or special order in this behalf under section 126 of the Madras Panchayats Act, 1958.

3. The fee shall, on demand, be payable by the registered holder or any of the joint registered holders, as the case may be, and if not paid, may be recovered from such holder or any of such holders, as if it were an arrear of land revenue.

4. The proceeds of the fee shall be constituted into a separate fund and shall be spent at the discretion of the Panchayat Union Council on the maintenance or repair of the irrigation work concerned and shall not be utilized for any other purpose.

5. Proper accounts shall be maintained by the Panchayat Union Council for the transactions relating to the fund and the accounts audited by the auditor appointed by Government under sub-section (1) of section 141 of the Madras Panchayats Act, 1958.

6. The Panchayat Union Council shall at all times allow the officers of the Public Works and Revenue Departments of the Government to inspect the irrigation work and all or any other works connected therewith.

7. The Panchayat Union Council shall at all times allow facilities to any contractor who may be employed by the Public Works or Revenue Department of the Government to effect any repairs to the irrigation work or other works connected therewith.

NOTIFICATION No. 26.

In exercise of the powers conferred by clauses (i) and (ii) of sub-section (2) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Prescribed authority for purposes of clauses (i) and (ii) of sub-section (2) of section 111.*

The prescribed authority for purposes of sub-section (2) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), shall be the Inspector.

## CHAPTER IV—TAXATION AND FINANCE.

NOTIFICATION No. 27.

In exercise of the powers conferred by section 127 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Power to write off irrecoverable taxes, fees, etc.—Restrictions and control.*

1. The power of a Panchayat Union Council under section 127 of the Madras Panchayats Act, 1958 to write off as irrecoverable any tax, fee or other amount due to it, whether under a contract or otherwise, shall be subject to the restrictions and control specified in the following rules.

2. Amounts found irrecoverable shall be reported by the bill collector or the village headman or any other person belonging to the staff of the Land Revenue Department when he is entrusted with the work of collection of taxes or fees under section 126 of the

Act, with reasons therefor, which shall be verified by the Commissioner. A list of all such amounts shall be prepared once a quarter and submitted to the Panchayat Union Council at its next meeting for sanction with the reasons and recommendations of the Commissioner for writing off the same. The Commissioner shall see that the defaulter has no attachable property within the village or town and that all means of recovery have been tried and found unsuccessful; before recommending the write off of the amount.

3. A register for recording all writes off shall be maintained in such form as may be specified by the Government.

4. When writes off are sanctioned by a Panchayat Union Council, the items shall be entered in the register of writes off and particulars as to the nature of the tax, fee or other amount (assessment number also, in the case of items relating to tax), amount written off and the period to which the amount relates shall be given in detail in the minutes book, or if the Panchayat Union Council prefers it reference may be given only to the serial number in the register of writes off. The total amount authorized to be written off each time shall be stated in words in either case.

5. The bills and warrants (both foil and counterfoil) for the taxes, fees or other amounts written off, shall, as soon as possible after sanction for the write off is given, stamped "written off" and necessary entries shall at the same time be made in the demand registers.

6. When any single item of tax, fee or other amount to be written off as irrecoverable exceeds Rs. 50 the sanction of the Inspector shall be obtained therefor.

NOTIFICATION No. 28.

In exercise of the powers conferred by sub-section (1) and clause (xviii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Grant of remission of revenue to lessees and contractors.*

1. All lessees of revenue from Panchayat Union Councils and all persons who have entered into contracts with Panchayats Union Councils shall be held strictly to the terms of their leases or contracts and no remissions shall be granted to them except in accordance with the provisions of rules 2 and 3.

2. The grant of remissions to lessees and contractors shall be subject to the following restrictions and control, namely :—

(a) remission shall be granted only in cases in which the lessee or contractor is prevented from carrying out his part of the lease or contract by reason of the occurrence of some extraordinary

extrinsic cause which could not reasonably have been anticipated, for example, the compulsory closing, on account of the outbreak of an epidemic, of a market which has been leased out;

(b) the amount of remission granted shall not exceed the proportionate amount payable under the lease or contract for the period for which the lessee or contractor was prevented from carrying out his part of the lease or contract on account of such extraordinary cause; and

(c) when the amount remitted exceeds fifty rupees, the previous sanction of the Collector shall be obtained.

3. Penalties provided in the lease or contract shall be strictly enforced in accordance with the terms of the lease or contract. Penalties for late payment of the amount due to the Panchayat Union Council under the lease or contract shall not be remitted except in cases where the payments of instalments of the amount due are, in the opinion of the Panchayat Union Council fairly regular and the whole amount due to the Panchayat Union Council under the lease or contract is paid before the end of the period towhich the lease or contract relates :

Provided that when the amount remitted exceeds Rs. 50 in each case, the previous sanction of the Collector shall be obtained.

## NOTIFICATION No. 29.

In exercise of the powers conferred by clause (xxii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Recovery of sums due to the Panchayat Union Council.*

All costs, damages, compensation, penalties, charges, fees (other than school fees), expenses, rents (not being rents for lands and buildings demised by the Panchayat Union Council) contributions and other sums which under the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) or any other law of rules or by-laws made thereunder are due by any person to the Panchayat Union Council may, if there is no special provision in the said Act or the rules made thereunder for their recovery, be demanded by bill which shall be served on the person concerned and recovered in the manner provided in the rules for the collection of taxes under the said Act.

NOTIFICATION No. 30.

In exercise of the powers conferred by sub-section (2) of section 159 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules:—

RULES.

*Maximum licence fee for machinery driven by electricity or other power.*

I. Machinery driven by electricity.

1. The fees which may be charged for a permission granted under section 112 of the Madras Panchayats Act, 1958, for the installation in any premises of any machinery or manufacturing plant driven by electrical power shall not exceed the maxima specified in Schedule I appended to these rules:

Provided that the fees which may be charged under this rule shall not exceed those charged for the installation of any machinery or manufacturing plant of like horse-power driven otherwise than by electricity.

2. The fees which may be charged for a licence granted or renewed under section 111 of the said Act for a period of one year for a place in which any machinery or manufacturing plant driven by electrical power is used shall not exceed the maxima specified in Schedule I appended to these rules:

Provided that where any such licence is granted or renewed for periods of less than one year, the aggregate licence fees charged for the same place in respect of the same machinery or manufacturing plant in any year shall not exceed the fees which may be charged for a licence granted or renewed in respect thereof for a period of one year:

Provided further that the fees which may be charged under this rule shall not exceed those charged for any machinery or manufacturing plant of like horse-power driven otherwise than by electricity.

3. The maxima specified in Schedule I appended to these rules shall apply only to applications made in time; in the case of a belated application, an additional fee not exceeding 25 per cent of the maximum fee specified in that schedule may be charged.

II. Machinery driven by power other than electricity.

4. The fees which may be charged for a permission granted under section 112 of the said Act for the installation in any premises of any machinery or manufacturing plant driven by power other than electricity, shall not exceed the maxima specified in Schedule II appended to these rules.

5. The fees which may be charged for a licence granted or renewed under section 111 of the said Act for a period of one year for a place in which any machinery or manufacturing plant driven by power other than electricity is used shall not exceed the maxima specified in Schedule II appended to these rules :

Provided that where any such licence is granted or renewed for periods of less than one year, the aggregate licence fees charged for the same place in respect of the same machinery or manufacturing plant in any year shall not exceed the fees which may be charged for a licence granted or renewed in respect thereof for a period of one year.

6. The maxima specified in Schedule II appended to these rules shall apply only to applications made in time; in the case of a belated application, an additional fee not exceeding 25 per cent of the maximum fee specified in that schedule may be charged.

## III. General.

7. Nothing contained in these rules shall be deemed to authorize the levy of any fee for permission or licence as the case may be, in respect of machinery or manufacturing plant exempted by the rules made under section 112 of the said Act, or exempted under the notification issued under sub-section (1) of section 111 of the said Act.

### Appendix.

*Schedule I.*

| *Horse-power of installation.* (1) | *Maximum fee chargeable.* (2) RS. NP. |
|---|---|
| Installation of rectifiers for cinema purposes irrespective of horse-power. | 1 00 |
| Other installations not exceeding one horse-power .. .. | 1 00 |
| Other installations exceeding one horse-power but not exceeding five horse-power. | 5 00 |
| Other installations exceeding five horse-power but not exceeding ten horse-power. | 15 00 |
| Other installations exceeding ten horse-power but not exceeding 20 horse-power. | 25 00 |
| Other installations exceeding 20 horse-power but not exceeding 30 horse-power. | 40 00 |
| Other installations exceeding 30 horse-power but not exceeding 40 horse-power. | 50 00 |
| Other installations exceeding 40 horse-power but not exceeding 50 horse-power. | 75 00 |
| Other installations exceeding 50 horse-power but not exceeding 100 horse-power. | 100 00 |

APPENDIX—*cont.*

*Schedule I—cont.*

| *Horse-power of installation.* (1) | *Maximum fee chargeable.* (2) |
|---|---|
| Other installations exceeding 100 horse-power but not exceeding 200 horse-power. | Rs. 100 for 100 horse power and rupee one for every additional horse-power. |
| Other installations exceeding 200 horse-power but not exceeding 500 horse-power. | Rs. 200 for 100 horse-power and fifty naye Paise for every additional horse-power. |
| Other installations exceeding 500 horse-power .. .. .. | Rs. 350 for 500 horse-power and twenty-five naye Paise for every additional horse-power, subject to a maximum of Rs. 450. |

*Schedule II.*

| *Horse-power of installation.* (1) | *Maximun fee chargeable.* (2) RS. | nP. |
|---|---|---|
| Installations for domestic purposes exceeding two horse-power .. | 0 | 50 |
| Other installations not exceeding one horse-power .. .. | 1 | 50 |
| Other installations exceeding one but not exceeding five horse-power. | 7 | 50 |
| Other installations exceeding five but not exceeding ten horse-power. | 22 | 50 |
| Other installations exceeding ten but not exceeding 20 horse-power. | 35 | 00 |
| Other installations exceeding 20 but not exceeding 30 horse-power. | 60 | 00 |
| Other installations exceeding 30 but not exceeding 40 horse-power. | 75 | 00 |
| Other installations exceeding 40 but not exceeding 100 horse-power. | 100 | 00 |
| Other installations exceeding 100 but not exceeding 200 horse-power. | Rs. 100 for 100 horse-power and rupee one for every additional horse-power. | |

APPENDIX—*cont.*

*Schedule III*—cont.

| *Horse-power of installations.* (1) | *Maximum fee chargeable.* (2) |
|---|---|
| | RS. NP. |
| Other installations exceeding 200 but not exceeding 500 horse-power. | Rs. 200 for 200 horse-power and fifty naye Paise for every additional horse-power. |
| Other installations exceeding 500 horse-power .. .. .. | Rs. 350 for 500 horse-power and twenty-five naye Paise for every additional horse-power, subject to a maximum of Rs. 450. |

NOTIFICATION No. 31.

In exercise of the powers conferred by clause (xxxvii) of sub-section (2) of section 178 and sub-section (1) of section 179 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Powers which may be exercised by the Panchayat Union Council or the Commissioner in respect of any public or private market or the user thereof.*

1. The Commissioner of a Panchayat Union Council may expel from any public market any person who or whose servant has been convicted of disobeying any by-laws at the time in force in such market, and may prevent such person from further carrying on, by himself or his servants or agents, any trade or business in such market, or occupying any shop, stall or other place therein and may determine any lease or tenure which such person may possess in any such shop, stall or place.

2. The Panchayat Union Council may by notice require the owner, occupier, or farmer of any private market to—

(*a*) construct approaches, entrances, passages, gates, drains and cess-pits for such market and provide it with latrines of such description and in such position and number as the Panchayat Union Council may think fit;

(*b*) roof and pave the whole or any portion of it, or pave any portion of the floor with such material as will in the opinion of the Panchayat Union Council secure imperviousness and ready cleaning;

(*c*) ventilate it properly and provide it with a supply of water;

(*d*) provide passages of sufficient width between the stalls and make such alterations in the stalls, passages, shops, doors or other parts of the market as the Panchayat Union Council may direct;

(*e*) keep it in a cleanly and proper state, remove all filth and refuse therefrom and dispose of them at such place and in such manner as the Panchayat Union Council may direct; and

(*f*) make such other sanitary arrangements as the Panchayat Union Council may consider necessary.

3. If any person, after notice given to him in that behalf by the Panchayat Union Council, fails within the period and in the manner laid down in the said notice to carry out any of the work specified in rule 2, the Panchayat Union Council may suspend the licence of the said person, or may refuse to grant him a licence until such works have been completed.

4. It shall not be lawful for any person to keep open any private market during such suspension or until the licence is renewed.

5. No owner, occupier, agent or manager in charge of any private market or of any shop, stall, shed or other place therein, shall keep the same so that it is a nuisance or fail to cause anything that is a nuisance to be at once removed to a place, to be specified by the Panchayat Union Council.

6. (1) Whoever fails to comply with the terms of a notice under rule 2 or contravenes the provisions of any of the other rules specified in the first column of Schedule I below shall be punishable with fine which may extend to the amount mentioned in that behalf in the second column of the said schedule.

(2) Whoever after having been convicted of any of the offences referred to in sub-rule (1) continues to commit such offences shall be punishable, for each day after the previous date of conviction during which he continues so to offend, with fine which may extend to the amount mentioned in that behalf in the second column of Schedule II below.

SCHEDULE I.

*Ordinary penalties.*

[*See* sub-rule (1) of rule 6.]

| *Offence.* | *Fine which may be imposed.* |
|---|---|
| (1) | (2) |
| **Failure to comply with the terms of a notice under rule 2** | **One hundred rupees.** |
| **Contravention of rule 4** .. .. .. .. .. | **Fifty rupees.** |
| **Contravention of rule 5** .. .. .. .. .. | **Twenty rupees.** |

## Schedule II.

*Penalties for continuing breaches.*

[*See* sub-rule (2) of rule 6.]

| *Offence.* | *Daily fine which may be imposed.* |
|---|---|
| (1) | (2) |
| Failure to comply with the terms of a notice under rule 2. | Ten rupees. |
| Contravention of rule 4 .. .. .. .. .. | Fifteen rupees. |
| Contravention of rule 5 .. .. .. .. .. | Ten rupees. |

## NOTIFICATION No. 32.

In exercise of the powers conferred by clause (xlvi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

*Accounts of private markets—Maintenance, Audit and Inspection.*

1. The owners, occupiers or farmers of private markets shall issue tickets for collections made daily for use of such markets and receipts for collections made periodically.

2. The receipts and ticket books shall be printed in Forms I and II given in the appendix.

3. The ticket books shall be printed separately for each rate of fees charged.

4. The owners, occupiers or farmers of the said markets shall keep true and complete accounts of the receipts from the markets and expenditure incurred on their maintenance and shall produce them whenever required for inspection, check or audit by the Commissioner of the Panchayat Union or such other persons as may be authorized by the Commissioner of the Panchayat Union in this behalf.

5. A register of collections and disbursements shall be maintained in Forms III and IV respectively given in the appendix. The registers, ticket and receipt books shall be checked by the Commissioner of the Panchayat Union or such other person as may be authorized by the Commissioner of the Panchayat Union not less than once every month and such remarks as are called for, recorded therein. If the accounts have been found to be kept correctly, a certificate to that effect shall be recorded in the said registers.

6. A statement showing the receipts and charges relating to the markets for the previous year (or for the period of full twelve months preceding the date of application for licence) shall accompany every application or renewal of licence to keep open the market. The Commissioner of the Panchayat Union shall, before renewing the licence, check the statement referred to above with the books of the owner, occupier or farmer of the markets.

7. The Panchayat Union may refuse to renew the licence, if any, of the requirements of rule 4, 5 or 6 are not complied with

## Appendix.

### Form I.

(*See* rule 2.)

| Counterfoil. | Outerfoil. |
|---|---|
| ................Market. | Received from Sri................ |
| Rent for room/stall No. ................ | the sum Rs.................... .... |
| for..........19 . | being rent for room/stall. No. in the ..........Market for .............. |
| Rs. nP. | 19 . |
| Received on 19 . | Rs. nP. |
| Bill Collector. | Received on ...................... |
| | Bill Collector. |

### Form II.

(*See* rule 2.)

| Counterfoil. | Outerfoil. |
|---|---|
| Serial No. Ticket. | Ticket |
| ....................Market. | Serial No. |
| per day. | ................ Market. |
| (Here enter rate.) | (Here enter rate.) |

## Form III.

*Register of Collections.*

(*See* rule 5.)

| | | Collections by tickets. | | | | | | | Other receipts. | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Stock on hand. | | Issues. | | | Balance. | | Rents. | | Miscellaneous | | | |
| Date. | Value. | Serial numbers from to. | Number. | Serial numbers from to | Numbers. | Amount collected. | Serial numbers from to. | Number. | Number of receipt. | Amount. | Receipt number. | Amount. | Total collection for each day. | Remarks. |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |

## Form IV.

*Register of Disbursement.*

(*See* rule 5.)

| Date. | Particulars of expenditure. | Amount. | Remarks. |
|---|---|---|---|

NOTIFICATION No. 33.

In exercise of the powers conferred by clause (xii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Limitation of time for appeals.*

Save as otherwise expressly provided in the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), or in the rules made thereunder, every appeal under that Act or any such rate shall, subject to the provisions of section 5 of the Indian Limitation Act, 1908 (Central Act IX of 1908), be presented to the Collector—

(*a*) where the appeal is against an order granting a licence or permission, within thirty days after the date of publication of the order on the notice board of the Panchayat Union Council; and

(*b*) in other cases, within thirty days after the date of receipt of the order or proceeding against which the appeal is prescribed.

## NOTIFICATION No. 34.

In exercise of the powers conferred by section 112 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor or Madras hereby makes the following rules :—

### Rules.

*Installation of machinery—Exemption from permission.*

The following machinery shall be exempt from the provisions of section 112 of the Madras Panchayats Act, 1958, namely :—

(1) Electrical appliances intended to be used for purely domestic or personal purposes or comfort and electrical machinery intended to be used for purely domestic or personal purpose or

(2) non-electrical appliances not exceeding two horse-power intended to be used for such purposes or comfort;
and non-electrical machinery not exceeding two horse-power intended intended to be used for such purposes or comfort;

(3) electrical installations including motors used for *bona fide* agricultural purposes; and

(4) non-electrical installations not exceeding two horse-power which are installed in connexion with agricultural purposes.

## NOTIFICATION No. 35.

In exercise of the powers conferred by sub-section (3) of section 159 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### Rule.

*Time-limit for communication of orders on applications for licences and permissions.*

In cases where any outside authority, such as the District Health Officer or the Inspector of Factories or any other officer has to be consulted before passing orders on an application for any licence or permission or renewal thereof, made under the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), or any rule, by-law or regulation made thereunder, orders in respect of such application shall be communicated to the applicant within sixty days after the receipt of the application by the Commissioner of the Panchayat Union Council.

# CHAPTER V—BUDGET, ADMINISTRATION REPORT AND AUDIT.

NOTIFICATION No 36.

In exercise of the powers conferred by clause (xvii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Powers of Auditors, Inspecting and Superintending Officers, etc.*

1. All persons authorized by the Madras Panchayats Act, 1958, or the rules made thereunder, to conduct inquiries and all auditors, inspecting and superintending officers appointed under the said Act, holding any inquiries into matters falling within the scope of their duties shall have for the purpose of holding such inquiries powers—

(i) to summon any person resident within the district whose evidence may appear to them to be necessary for the investigation of any matter under inquiry and also to require the production of any document relevant to the matter under inquiry which may be in the possession or under the control of such person; and

(ii) to grant to any such person such allowance as is admissible to a witness summoned by a civil court and to pass orders as to the person by whom or the fund out of which allowance shall be paid.

2. Such summons shall be in writing and authenticated by the signature and the seal, if any, of the officer by whom it is issued.

It shall require the person summoned to appear before the said officer at a stated time and place and shall specify whether his attendance is required for the purpose of giving evidence or to produce a document, or for both purposes; and any particular document, the production of which is required shall be described in the summons with convenient certainty.

3. The summons shall be served personally on the person summoned, or, if be cannot be found, it may be left for him with some adult members of his family residing with him, or with the head of the revenue village in which he lives.

4. Any person may be summoned to produce a document without being summoned to give evidence; and any person summoned merely to produce a document shall be deemed to have complied with the summons if he causes such document to be produced, instead of attending personally to produce the same.

5. When the person whose evidence may be required is unable from sickness or infirmity to attend before the officer issuing the summons, or is a person whom by reason of rank or sex it may not be proper to summon, the officer issuing the sommons, may, of his own motion or on the application of the party whose evidence is desired, dispense with the appearance of such person, and order him to be examined by a subordinate deputed by such officer for the purpose.

6. Any person who fails to obey a summons issued under these rules shall be punishable with fine which may extend to one hundred rupees.

7. Nothing contained in these rules shall apply to cases for which provision has otherwise been made by or under the Madras Panchayat Act, 1958. Cor ms no 1248 26 4 61

Memo no 16400/51/2-1 LA dated 9th may 1957

## CHAPTER VI—CONTROL AND SUPERVISION.

### NOTIFICATION No. 37.

In exercise of the powers conferred by section 148 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the folowing rule :—

### RULE.

*Control of the emergency powers of Inspector and Collector.*

Every case in which the powers conferred by section 148 of the Madras Panchayats Act, 1958, are exercised shall—

(i) in case such powers are exercised by the Inspector, be forthwith reported by him to the Government, and

(ii) in case such powers are exercised by the Collector, be forthwith reported by him to the Inspector,

with the reasons in full for the exercise of such powers and a copy of the report shall, at the same time, be sent to the Panchayat Union Council for information. 1248 - 26 4 61

### NOTIFICATION No. 38.

In exercise of the powers conferred by sub-section (1) of section 162 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Restrictions and control on powers of entry and inspection.*

1. For the purposes of clause *(a)* of sub-section (1) of section 162—

*(a)* no entry shall be made by the Commissioner or any person authorized by him between sunset and sunrise ;

(*b*) no dwelling house, and no part of a public building used as a dwelling place, shall be entered into by the Commissioner or any person authorized by him without the consent of the occupier thereof, unless the said occupier has received at least six hours' previous notice of the intention to make such entry ;

(*c*) sufficient notice shall be given by the Commissioner or any person authorized by him in every case [even when any premises may otherwise be entered without notice under rule 2 (*b*)], to enable the inmates of any apartment appropriated to women to move to some part of the premises where their privacy may be preserved ;

(*d*) due regard shall be paid by the Commissioner or any person authorized by him, so far as may be compatible with the exigencies of the purpose of the entry, to the social and religious usages of the occupants of the premises.

2. For the purposes of clause (*b*) of sub-section (1) of section 162—

(*a*) the Commissioner or any person authorized by him may enter any premises between sunrise and sunset, and also between sunset and sunrise, if it is open to the public, or any industry is being carried on in it, at the time ;

(*b*) if there is reason to believe that any premises is being used for any of the purposes mentioned below without a licence or permission, where the same is required by or under the Act or anything is being done in such premises otherwise than in conformity with the conditions of such licence or permission, the Commissioner or any person authorized by him may at any time by day or night without notice enter such premises for the purpose of satisfying himself whether any provision of law, rules, by-laws or regulations, any condition of a licence or permission or any lawful direction or prohibition is being contravened :—

(i) Tanning hides or skins;

(ii) manufacturing gunpowder or fireworks;

(iii) brewing beer, manufacturing arrack or other spirit containing alcohol (whether denatured or not) by distillation; and

(iv) storing any explosive or combustible materials.

### NOTIFICATION No. 39.

In exercise of the powers conferred by section 164 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Information that may be called for from village officers.*

The Commissioner of a panchayat union may, by an order in writing, require the headman or karnam or both of any revenue village comprised within the jurisdiction of the panchayat union

council to furnish him with information on any matter falling within the following categories in respect of such village or any part thereof or any person or property therein :—

(1) Particulars of survey number, subdivision, classification, description such as whether the land is dry or wet, extent, assessment and name of the registered holder or occupier or any land within the limits of the panchayat union, available in the village records.

(2) Any other particulars available in the registers and accounts maintained by village officers for the administration of the panchayat union :

Provided that the information on a matter falling under category (2) shall be called for through the Tahsildar of the taluk concerned. G.O. Ms No 1248 - 26th April 1961
83 - 11-1-1965

NOTIFICATION No. 40.

In exercise of the powers conferred by clause (xxv) of sub-section (2) of section 178 of the Madras Panchayat Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Power of Commissioner to call for information on any matter, etc.*

1. The Commissioner of a panchayat union may summon any person to attend before him and to give evidence or produce documents, as the case may be, in respect of any question relating to taxation, or inspection or to the grant of any licence or permission under the provisions of the Madras Panchayats Act, 1958.

2. Whoever fails to obey the summons issued by the Commissioner under rule 1 shall be punishable with fine which may extend to ten rupees.

NOTIFICATION No. 41.

In exercise of the powers conferred by clause (xxvi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Use of facsimiles of signatures of the Commissioner and Officers of Panchayat Union Councils.*

1. Every licence, permission, notice, bill, schedule, summons or other document which is required by the Madras Panchayats Act, 1958, or by any rule, by-law or regulation made under it to

bear the signature of the Commissioner or of any officer of a panchayat union council shall be deemed to be properly signed if it bears a fascimile of the signature of the Commissioner or of such officer, as the case may be.

2. Nothing in rule 1 shall be deemed to apply to a cheque drawn upon a panchayat union fund or to any deed of contract entered into by panchayat union council.

NOTIFICATION No. 42.

In exercise of the powers conferred by sub-sections (1) and (3) of section 180 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Framing of by-laws by Panchayat Union Councils.*

1. The panchayat union council shall, before making or altering by-laws, publish a draft of the proposed by-laws or alterations, together with a notice specifying a date on or after which such draft will be taken into consideration and shall, before making the by-laws or alterations, receive and consider any objection or suggestion which may be made in respect of such draft by any person interested therein before the date so specified.

The notice under this rule shall be published in the manner laid down in rule 3 and the period specified for the receipt of objections or suggestions shall not be less than thirty days.

2. No by-law or cancellation or alteration made by a panchayat union council shall have effect, until the same has been approved and confirmed by the Regional Inspector concerned in the case of by-laws other than those relating to water-supply and drainage works and by the Sanitary Engineer in the case of by-laws relating to water-supply and drainage works.

3. Any by-law or cancellation or alteration of a by-law when it has been duly confirmed shall if it is not in Tamil be translated into Tamil and deposited in the office of the panchayat union council and a copy thereof shall also be exhibited on the notice board of the said office and at such places as the panchayat union council may direct. A public proclamation shall also be made throughout the area of the jurisdiction of the panchayat union council by beat of drum or otherwise that such copy has been so exhibited and that the original is open to inspection at the office of the panchayat union council.

4. Any by-law or cancellation or alteration of a by-law shall come into operation on the expiry of three months from the date on which it was deposited in the office of the panchayat union council.

NOTIFICATION No. 43.

In exercise of the powers conferred by clause (xlii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Classification of public roads, fairs and festivals.*

1. The classification of public roads, and fairs and festivals in any panchayat area as appertaniing to the panchayat union councils or the panchayat shall be ordered by the Inspector in consultation with—

(i) the Collector and the Chief Engineer (Highways) in the case of public roads; and

(ii) the Director of Public Health in the case of fairs and festivals.

2. Before any classification is ordered under rule 1, the panchayat union council and the panchayat concerned shall be given a reasonable opportunity of expressing their opinion.

3. The Government shall have power to revise, in consultation with the District Development Council concerned, any classification ordered by the Inspector under rule 1.

## CHAPTER VII—PUBLIC WORKS AND MISCELLANEOUS.

NOTIFICATION No. 44.

In exercise of the powers conferred by clause (xix) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Supply to Panchayat Union Councils of materials, goods, etc.*

1. In respect of supplies of materials, goods or services other than those for the execution of works, the panchayat union council may determine up to what limit of cost not exceeding Rs. 400 tenders may be dispensed with. When tenders are invited they shall be tabulated and scrutinized by the Commissioner and then placed before the panchayat union council with the recommendations of the Commissioner for orders.

2. The lowest tender shall ordinarily be accepted. When it is considered undersirable to accept the lowest tender, the reasons therefor shall be clearly recorded and made available for purposes of audit.

NOTE.—Where tender is in respect of more than one article, for example; stationery article, the comparative prices can be considered either individually for each article or conjointly for all the articles or for specified groups of articles as long as the lowest tender is accepted (provided that the intention of the panchayat union council to select the lowest tender, in any of these ways is made clear in the tender notice. If the tender is considered conjointly for all the articles or for groups of articles, the cost of the probable requirements in respect of all the articles or of all the articles in each group, as the case may be, shall be worked out with reference to the rates given in each tender and the lower tender will be that according to which the total cost of the probable requirements of all the articles proposed to be taken together works out to be the least.

3. Where the capacity for supply and the integrity of a tenderer are not known, his tender need not necessarily be rejected; such additional security as the panchayat union council considers necessary shall, however, be taken from the tenderer, if the circumstances warrant such a course.

4. Where the lowest tender is rejected, the next higher tender shall be accepted unless adequate grounds can be recorded for rejecting that tender also.

5. In no case shall a tender be accepted at rates other than those specified in that tender.

6. There shall be no avoidable delay in the disposal of tenders after they are opened.

7. (1) Tenders (which shall be in sealed covers) shall be invited by the Commissioner in the most open and public manner possible—

(*a*) in all the cases by a notice in Tamil posted at the office of the panchayat union council and at such other places as the Commissioner may deem fit;

(*b*) when the anticipated cost exceeds Rs. 500 by advertisement in at least one newspaper circulating in the district.

(2) Every notice or advertisement published under sub-rule (1) shall state *inter alia*—

(*a*) the conditions under which, the officer from whom, and the price, if any, for which a copy of the schedule of quantities of the various kinds of articles can be obtained if these cannot be mentioned in detail in the notice or advertisement itself;

(*b*) the precise form in which the tender shall be made that is, whether prices for the various articles are to be quoted and whether the comparative value of the tender will be examined with reference to each article mentioned in the schedule of quantities or for all such articles conjointly or for groups of such articles;

(*c*) when and where tenders are to be submitted, allowing a period of at least ten days from the date of publication of the notice at the office of the panchayat union council, or, in cases falling under clause (*b*) of sub-rule (1) of the first advertisement in a newspaper ;

(*d*) when and where the tenders are to be opened ;

(*e*) the amount of earnest money which should accompany, the tender and the amount and nature of the security which will be required in case the tender is accepted;

(*f*) the authority competent to accept the tender ;

(*g*) that the authority competent to accept the tender reserves the right to reject any or all of the tenders received, without assigning reasons; and

(*h*) that a tenderer who withdraws his tender without valid reasons (to be decided by the authority competent to accept the tender) shall be liable to have his subsequent tenders summarily rejected.

8. Nothing contained in these rules shall apply to the purchase of—

(i) stores purchased through the Indian Stores Department;

(ii) articles from the metal and timber works and factories started by the Government for the resettlement of ex-servicemen;

(iii) bulls for conservancy and other purposes;

(iv) controlled articles at controlled rates through a permit issued on the orders of Government or their agents; and

(v) petrol from standard firms for its distribution and supply or from their authorized agents at the rates for the time being in force.

9. Notwithstanding anything contained in the foregoing rules, the Regional Inspector may, for sufficient reason, permit the panchayat union council to dispense with tenders in any particular case or class of cases, or condone the non-observance of any of the provisions contained in the said rules.

## NOTIFICATION. No 45.

In exercise of the powers conferred by section 167 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Composition of offences.*

The offences punishable under the sections of the Madras Panchayats Act, 1958, specified in the first column of the schedule

below shall be compoundable, or compoundable with the permission of the court before which any prosecution for such offence is pending, as mentioned in the fourth column thereof :—

SCHEDULE.

| *Section and sub-section or clause.* | *Offence.* | *Punishment under the Act.* | *Whether compoundable or compundable with permission of the Court.* |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 82 (1) (*a*) .. | Unlawful building of wall or erecting of fence, etc., in of over public road. | One hundred rupees. | Compoundable. |
| 82 (1) (*c*) .. | Unlawful quarrying in any place near public road, etc. | Fifty rupees. | Do. |
| 82 (1) (*d*) .. | Unlawful erection of building over drain. | Two hundred rupees. | Compoundable with permission of the court before which any prosecution for such offience is pending. |
| 82 (1) (*e*) .. | Planting of trees without permission on any public road or other property vested in a panchayat union council. | Two hundred rupees. | Compoundable. |
| 100 (1) .. | Opening a new private market or Continuing to keep open a private market without licence or contrary to licence. | Five hundred rupees. | Do. |
| 100 (3) .. | Levy of fees in private market without a certificate. | One hundred rupees. | Do. |
| 102 .. .. | Sale or exposure for sale in public or private market of any animal or article without permission. | Twenty rupees. | Do. |
| 103 .. .. | Sale, etc., of articles in public roads or places after prohibition or without alicence or contrary to regulations. | Ten rupees. | Compoundable with permission of the Court before which any prosecution for such offence is pending. |
| 109 (*a*) .. | Slaughtering, cutting up or skinning, etc., of animals outside public slaughter-houses in contravention of rules. | Two hundred rupees. | Do. |
| 109 (*b*) .. | Slaughtering animals for purposes of sale without licence or contrary to licence. | Twenty rupees. | Do. |

| *Section and sub-section or clause.* | | *Offence.* | *Punishment under the Act.* | *Whether compoundable or compoundable with permission of the court.* |
|---|---|---|---|---|
| (1) | | (2) | (3) | (4) |
| 110 (2) | .. | Unlawful destruction, etc., of number assigned to buildings. | Five rupees. | Compoundable, with permission of the court before which any prosecution for such offence is pending. |
| 110 (3) | .. | Failure to replace number when required to do so. | Twenty rupeees. | Compoundable. |
| 111 .. | .. | Using a place for an offensive or dangerous trade without licence or contrary to licence. | One hundred rupees. | Do. |

NOTIFICATION No. 46.

In exercise of the powers conferred by sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Appointment of counsel and payment of fees in certain cases.*

When the Government and a panchayat union council are both parties in a civil case in which the correctness of the survey of lands vested in the panchayat union council is in question and the interests of both are identical, the panchayat union council shall engage on its behalf only the counsel appointed by the Collector, on behalf of the Government. In such cases, the fee payable to the counsel shall be borne by the Government and the panchayat union council in the proportion of two-thirds and one-third respectively.

2. In civil cases other than those mentioned in rule 1, where the Government and a panchayat union council are both parties and their pleadings are similar, the panchayat union council shall engage on its behalf only the counsel appointed on behalf of the Government. In such cases, the fee payable to the counsel and other incidental charges and any expenses incurred after the proceedings on behalf of the Government and the panchayat union council became joint and in furtherance of such joint proceedings, shall be borne by the Government and the panchayat union council in equal shares.

3. These rules shall not apply to appeals filed by panchayat union councils against the decisions of civil courts.

(Vide G.O. No. 1677. L.A.. dated 8th October 1960.)

RULES.

*Election of chairmen and vice-chairmen of panchayat union councils.*

1. These rules may be called the Madras Panchayat Union Councils (Election of Chairmen and Vice-Chairmen) Rules, 1960.

2. The election of the chairman or the vice-chairman shall be held in the office of the panchayat union by the members of the panchayat union council at a meeting specially convened for the purpose.

3. (1) The meeting for the election of the chairman of a panchayat union council shall be convened as soon as possible after the occurrence of the vacancy—

(*a*) in the case where a panchayat union council is newly constituted, or the election is to fill an ordinary vacancy, by the Revenue Divisional Officer; and

(*b*) in all other cases, by the vice-chairman, and if there is either a vacancy in the office of the vice-chairman or he has been continuously absent from jurisdiction for more than fifteen days, or is incapacitated, by the Revenue Divisional Officer.

(2) The meeting for the election of vice-chairman of a panchayat union council shall be convened as soon as possible after the occurrence of the vacancy, by the chairman.

(3) Notice of the day and hour of the meeting shall be given atleast seven clear days previous to the date of the meeting.

4. (1) The meeting for the election of the chairman of a panchayat union council shall be presided over—

(i) in the case where a panchayat union council is newly constituted, or the election is to fill an ordinary vacancy, by the Revenue Divisional Officer;

(ii) in all other cases, by the vice-chairman and if there is either a vacancy in the office of the vice-chairman or he has been continuously absent from jurisdiction for more than fifteen days or is incapacitated, by the Revenue Divisional Officer; and

(iii) if the vice-chairman himself intends to stand as a candidate at the election or in his absence by a member not intending to stand as a candidate at the election chosen by the members present at the meeting to preside for the occasion.

(2) The meeting for the election of the vice-chairman shall be presided over by the chairman or in his absence by a member not intending to stand as a candidate at the election chosen by the members present at the meeting to preside for the occasion.

(3) In these rules, the term " president of the meeting " shall mean the Revenue Divisional Officer, chairman, vice-chairman or the members presiding at the meeting for the election of the chairman or vice-chairman as the case may be, under these rules.

5. Every candidate for election as chairman or vice-chairman must be nominated in writing and the nomination paper must be sgned by two of the members of the panchayat union council as

proposer and seconder. The proposer shall, when proposing the name of any candidate, deliver to the resident of the meeting a declaration in writing expressing the candidate's willingness to be elected as chairman or vice-chairman as the case may be, signed by the candidate and by the proposer and the seconder.

6. The names of all the candidates who have been proposed and seconded shall be read out by the president of the meeting to the members present at the meeting.

7. If there is only one candidate duly nominated to the office of chairman or vice-chairman of the panchayat union council, there shall be no ballot and the candidate shall be declared to have been duly elected as chairman or vice-chairman as the case may be.

8. If the number of candidates is more than one, the votes of the members present at the meeting shall be taken by ballot in the manner laid down in the following rules.

9. The president of the meeting shall provide in the place where the meeting is held a voting compartment in which the members can record their votes screened from observation. The president of the meeting shall also place a ballot box for the receipt of ballot papers in the view of the president of the meeting and the members. The ballot box shall be so constructed that the ballot papers can be introduced therein but cannot be withdrawn therefrom without the box being unlocked or opened.

10. The president of the meeting shall, immediately before the votes are taken, show the ballot box empty to such members as may be present so that they may see that it is empty and shall then lock it up, and place a seal upon it in such a manner as to prevent its being opened without breaking such seal.

11. Every member wishing to vote shall be supplied with a ballot paper on which the names of all the candidates shall be legibly written in the following form in English and in Tamil:

.................................................Panchayat Union Council.

*Ballot paper.*

Names of candidates duly nominated for election as chairman or vice-chairman of the panchayat union council,

A.

B.

C.

D.

*President of the meeting.*

The ballot paper shall be signed by the president of the meeting before being handed over to the member.

12. The member shall, on receiving the ballot paper proceed to the voting compartment for the purpose of recording his vote and put a cross mark on the ballot paper against the name of the candidate for whom he wishes to vote. He shall, before quitting the voting compartment, fold up the ballot paper so as to conceal the mark and put the ballot paper so folded up into the ballot box in the presence of the president of the meeting.

13. The president of the meeting shall cause such arrangements to be made as will ensure the secrecy of the ballot and prevent the members who have already voted from having access to the members who are yet to vote. The use of different forms of ballot paper shall amount to a violation of the secrecy of the ballot.

14. (1) if, owing to illiteracy or blindness or other physical infirmity, a member is unable to read the ballot paper and make a mark thereon, and applies for assistance in doing so, the president of the meeting shall record the vote in the ballot paper in accordance with the wishes of the member and fold it up so as to conceal the vote.

(2) The member shall then himself or with the assistance of the president of the meeting insert the ballot paper into the ballot box.

(3) While acting under this rule the president of the meeting shall observe as much secrecy as is feasible and shall keep a brief record of each such instance but shall not indicate therein the manner in which any vote has been given.

15. After the voting by members is over, the president of the meeting shall open the ballot box in the presence of the members present, take out the ballot papers therefrom and record the number of votes obtained by each candidate in a statement.

16. A ballot paper shall be invalid on which—

(*a*) there is no cross mark; or

(*b*) a cross mark is set opposite the name of more than one candidate or is so placed as to render it doubtful to which candidate it is intended to apply; or

(*c*) a cross mark and some other mark are set opposite the name of the same candidate; or

(*d*) any mark is made by which the member may afterwards be identified.

17. (1) If the number of candidates is two, the candidate who obtains the largest number of votes shall be declared to have been duly elected. If there be an equality of votes between the two

candiates and the addition of one vote to any one of such candidates will entitle him to be declared duly elected, the president of the meeting shall decide by drawing lots in the presence of the members to which one of such candidates such additional vote shall be deemed to have been given.

(2) If the number of candidates is three and if any one of them secures more than one-half of the number of votes, he shall be declared to have been duly elected. If none of them secures more than one-half of the number of votes, the candidate who obtains the smallest number of votes shall be eliminated and a second ballot taken. If there is an equality of votes among all the candidates, the president of the meeting shall ascertain by casting lots in the presence of the members present which of such candidates shall be eliminated. The second ballot shall be conducted and the result declared in accordance with the provisions of the said sub-rule (1).

(3) If the number of candidates is more than three and if any of the candidates secures more than one-half of the number of votes, he shall be declared to have been duly elected. If none of the candidates secures more than one-half of the number of votes the first candidate who secures the largest number of votes and the second candidate who secures the next largest number shall be retained and the others eliminated and a second ballot taken. In the event of there being an equality of votes between more than one candidate affecting the determination of which one of them secures the second largest number of votes, the president of the meeting shall draw lots in the presence of the members present and the candidate whose name is first drawn shall be deemed to have secured the second largest number of votes. The second ballot shall be conducted and the results declared in accordance with the provisions of the said sub-rule (1).

18. Immediately after the meeting, the president of the meeting shall —

(*a*) prepare a record of the proceedings of the meeting and sign it, attesting with his initials every correction made therein: and also permit any member present at the meeting to affix his signature to such record, if he expresses his desire to do so;

(*b*) send a report of the result of the election to the Inspector and to such other officer or authority as may be specified by the Government by general or special order; and

(*c*) publish on the notice board of the office of the panchayat union a notification signed by him stating the name of the person elected as chairman/vice-chairman and also publish the notification in such manner as may be specified by the Government by general or special order.

19. (1) The president of the meeting shall then make up the ballot papers into a separate packet, seal up the packet and note therein a description of its contents, the election to which it relates and the date thereof.

(2) These packets shall not be opened and their contents shall not be inspected or produced except under the orders of an election or other competent court.

(3) The packets shall be retained in safe custody in the office of the panchayat union for a year and shall then, unless otherwise directed by the orders of a competent court, be destroyed.

**(G.O. Ms. No. 1611, L.A., dated 27th eSptember 1960.)**

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Part II

GO 1248 - 26-4-61

## Part II—Panchayats.

(*G.O. Ms. No.* 1248, *L.A.*, 26*th April* 1961.)

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No.

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3 Reservation of seats for members of the Scheduled Castes [section 15 (1)].

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9 Exclusion of any local area from or inclusion of any local area in a village or town [section 178 (2) (i)].

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13 Election of Presidents and Vice-Presidents of Panchayats (section 30).

14 Devolution and delegation of President's functions [sections 34 (2), (3) and (4) and 35].

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17 Production of documents by executive authority [sections 50 and 178 (1)].

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22 Constitution of Committees of Panchayats, inclusion of outsiders therein and the delegation of functions to such Committees [section 178 (2) (vii)].

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52 Recovery of sums due to the Panchayat [section 178 (2) (xxii)].

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57 Powers of auditors, inspecting and superintending officers, etc. [section 178 (2) (xvii)].

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58 Control of the emergency powers of Inspector and Collector (section 148).

59 Restrictions and control on powers of entry and inspection [section 162 (1)].

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61 Power of executive authority to call for information on any matter, etc. [section 178 (2) (xxv)].

62 Use of facsimiles of signatures of the executive authorities and officers of Panchayats [section 178 (2) (xxvi)].

63 Classification of public roads, fairs and festivals [section 178 (2) (xlii)].

64 Framing of by-laws by Panchayats [section 180 (1) and (3)].

65 Period during which an unreserved forest may be withdrawn from the control of the Panchayat [section 72 (2) (*a*)].

66 Manner of service of documents other than notices [section 178 (1)].

67 Prohibition or regulation of the use of public or private springs, tanks, wells, etc. [section 178 (2) (xxix)].

## CHAPTER VII—PUBLIC WORKS AND MISCELLANEOUS.

68 Appointment of counsel and payment of fees in certain cases [section 178 (1)].

69 Composition of offences (section 167).

70 Supply to Panchayats of materials, goods, etc. [section 178 (2) (xix)].

NOTIFICATION No. 1.

Under clause (9) of section 2 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Election Authorities.*

For all the purposes of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), (hereinafter in this rule referred to as 'the said Act'), the District Collector, the Revenue Divisional Officer and the Divisional Panchayat Officer in respect of every panchayat constituted under the said Act in the areas within their respective jurisdictions, the District Collector in respect of every panchayat union council constituted under the said Act in the district under his charge, and the Additional Development Commissioner, Madras, in respect of every such panchayat union council in the State, shall be the election authorities.

## CHAPTER I—CONSTITUTION.

### A. CONSTITUTION OF PANCHAYATS.

NOTIFICATION No. 2.

In exercise of the powers conferred by sub-section (1) of section 10 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Strength of a Panchayat.*

The total number of members of a panchayat shall be fixed with reference to its population, in accordance with the following scale :—

| *Population.* (1) | *Number of members.* (2) |
|---|---|
| Over 15,000 ... ... ... ... | 15 |
| Over 10,000 and up to 15,000 ... ... | 14 |
| Over 5,000 and up to 10,000 ... ... | 13 |
| Over 3,000 and up to 5,000 ... ... | 12 |
| Over 2,000 and up to 3,000 ... ... | 11 |
| Over 1,500 and up to 2,000 ... ... | 10 |
| Over 1,200 and up to 1,500 ... ... | 9 |
| Over 1,000 and up to 1,200 ... ... | 8 |
| Over 800 and up to 1,000 ... ... | 7 |
| Over 600 and up to 800 ... ... | 6 |
| Under 600 ... ... ... ... | 5 |

Provided that in the case of any panchayat in existence on the date of the coming into force of this rule, the scale specified above shall apply only with effect from the next ordinary elections to that panchayat, if that scale has not already been applied to that panchayat.

### NOTIFICATION No. 3.

In exercise of the powers conferred by sub-section (1) of section 15 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Reservation of seats for members of the Scheduled Castes.*

1. The total number of seats reserved in a panchayat for the members of the Scheduled Castes shall not exceed one-fifth of the strength of the panchayat.

2. No seat shall be reserved in any panchayat for the members of the Scheduled Castes if, at the last census, they constituted more than one-half of the total population of the village or town, as the case may be.

### NOTIFICATION No. 4.

In exercise of the powers conferred by sub-section (2) of section 18 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Election of members by Panchayats in certain cases.*

The election of a member by a panchayat under sub-section (2) of section 18 of the Madras Panchayats Act, 1958, shall be in the manner provided for in the rules for the election of the vice-president.

### NOTIFICATION No. 5.

In exercise of the powers conferred by sub-sections (2) and (4) of section 20 and section 21 of the Madras Panchayats Act 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Authority for purposes of publication of electoral roll, etc.*

The prescribed authority for the purposes of sub-sections (2) and (4) of section 20 and section 21 of the Madras Panchayats Act, 1958, shall be the Divisional Panchayat Officer having jurisdiction.

## NOTIFICATION No. 6.

In exercise of the powers conferred by section 26 (*d*) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Disqualification of members of Panchayats.*

No member of a panchayat shall cease to hold office as such on the ground that he acquires any interest in a subsisting contract made with, or any work being done for the Panchayat by reason of such member having a share or interest in—

(i) any lease, sale or purchase of immovable property or any agreement for the same ; or

(ii) any agreement for the loan of money or any security for the payment of money only; or

(iii) any newspaper, in which any advertisement relating to the affairs of the Panchayat is inserted; or

(iv) the sale to the Panchayat of any article in which he regularly trades, or the purchase from the Panchayat of any article, to a value in either case not exceeding fifteen hundred rupees in the aggregate in any year during the period of the contract or work.

## NOTIFICATION No. 7.

In exercise of the powers conferred by sub-section (1) of section 28 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Judicial authority to decide questions of disqualifications of members.*

The judicial authority to whom applications under sub-section (1) of section 28 of the Madras Panchayats Act, 1958, may be made shall be, in the case of districts other than the Nilgiris, the District Munsif having territorial jurisdiction over the place in which the office of the Panchayat concerned is situated or if there is more than one such District Munsif, the Principal District Munsif, and in the case of the Nilgiris district, the Subordinate Judge, Ootacamund :

Provided that, in the case of districts other than the Nilgiris, the District Judge shall have power to transfer any such application to any other District Munsif in the district.

NOTIFICATION No. 8.

In exercise of the powers conferred by sub-section (1) and clause (iv) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Determination of population.*

If any question arises as to the population of any village, town or any local area or of any part of such village, town or local area for the purpose of the Madras Panchayats Act, 1958, the question shall be decided with reference to the population of such village, town or local area as ascertained at the last preceding census.

NOTIFICATION No. 9.

In exercise of the powers conferred by clause (i) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958, the Governor of Madras hereby makes the following rules :—

RULES.

*Exclusion of any local area from, or inclusion of any local area in, a village or town.*

1. The principles laid down in the following rules shall be followed in regard to the exclusion of any local area from, or the inclusion of any local area in, a village or town under sub-section (2) of section 3 of the Madras Panchayats Act, 1958.

2. No area shall be included in any village or town except where such area has been excluded from another village or town and the inclusion of such area in the former village or town has become necessary or expedient.

3. No area shall be excluded from any village or town except for constituting a separate panchayat for such area or for including such area in another village or town for which there is already a panchayat or a panchayat is proposed to be constituted.

4. No area shall be excluded from or included in a village or town unless in the opinion of the Additional Development Commissioner the income of the panchayats concerned after such exclusion or inclusion will be adequate for running the administration of the village or town in an efficient manner.

5. No area shall be excluded from a village or town if in the opinion of the Additional Development Commissioner the income of the panchayat will be substantially reduced by reason of such exclusion.

6. No area shall be excluded from a village or town and included in another village or town unless both the panchayats concerned as well as the panchayat union council or panchayat union councils concerned agree to such exclusion and inclusion.

7. Except for special reasons, if a panchayat has jurisdiction over only a single revenue village, no area shall be excluded from such revenue village.

8. Where a panchayat exercises jurisdiction over two or more revenue villages, any exclusion of any area from the jurisdiction of such panchayat shall be effected in such a way that a separate panchayat may be constituted for each revenue village or for two or more revenue villages.

9. Where a panchayat exercises jurisdiction over one revenue village and a portion or portions of any other revenue village or villages and if the said portions are not contiguous to the revenue village aforesaid, such portion or portions may be excluded from the jurisdiction of the panchayat and included within the jurisdiction of a panchayat exercising jurisdiction over any contiguous area.

NOTIFICATION No. 10.

In exercise of the powers conferred by sub-clause (ii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Decision of election disputes relating to panchayats.*

1. (1) Save as otherwise provided, no election held under the Madras Panchayats Act, 1958, whether of a member, president or vice-president of a panchayat shall be called in question except by an election petition presented in accordance with these rules to an election court as defined in sub-rule (2) by any candidate or elector against the candidate who has been declared to have been duly elected (hereinafter called the returned candidate) or if there are two or more returned candidates against all or any such candidates.

(2) The election court shall be—

(i) except in cases falling under clause (ii), in the case of districts other than the Nilgiris, the District Munsif having territorial jurisdiction over the place in which the office of the panchayat is situated, if there is more than one such District Munsif, the Principal District Munsif, and in the case of the Nilgiris district the Subordinate Judge, Ootacamund; and

(ii) where the Government so direct, whether in respect of panchayats generally or in respect of any class of panchayats or in respect of panchayats in the same district or taluk, such officer or officers of Government as may be designated by the Government in this behalf by name or by virtue of office :

Provided that an election petition may, on application, be transferred—

(*a*) if presented to a District Munsif under clause (i), by the District Judge concerned, to another District Munsif within his jurisdiction; and

(*b*) if presented to an officer of Government under clause (ii), by the Government to another officer of Government :

Provided further that where an election petition is transferred to any authority under the foregoing proviso, such authority shall be deemed to be the election court.

(3) A District Munsif, Subordinate Judge or other officer exercising jurisdiction under these rules shall be deemed to exercise such jurisdiction as a *persona designata* and not in his capacity as a Munsif or Judge or other officer of Government, as the case may be.

2. (1) The election petition shall be presented within fifteen days from the date of the declaration of the result of the election.

*Explanation.*—If the office of the election court is closed on the last day of the fifteen days aforesaid, the petition may be presented to the election court on the next following day on which such court is open.

(2) The petition shall contain a statement in concise form of the material facts on which the petitioner relies and the particulars of any corrupt practice which he alleges, and shall where necessary, be divided into paragraphs numbered consecutively. It shall be signed by the petitioner and verified in the manner prescribed for the verification of pleadings in the Code of Civil Procedure, 1908.

3. (1) If the irregularities alleged in the petition are likely to affect the validity of the election of more than one returned candidate, the petitioner shall join as respondent to his petition all such returned candidates.

(2) The petitioner may, if he so desires, in addition to calling in question the election of the returned candidate or of all or any of the returned candidates, as the case may be, claim a declaration that he himself or any other candidate has been duly elected; in such case, he shall join as respondent to his petition all other candidates who were nominated for the election but had not withdrawn before the polling.

4. (1) At the time of presentation of the petition, the petitioner shall deposit with the election court in cash twenty-five rupees as security for the costs of the same.

*Explanation.*—Where the election of more than one returned candidate is called in question, a separate deposit shall be made in respect of each such returned candidate.

(2) If the provisions of sub-rule (1) are not compiled with, the election court shall dismiss the petition.

(3) Upon compliance with the provisions of sub-rule (1), the election court shall proceed to inquire into the petition.

5. The election court shall as soon as may be, cause a copy of the petition to be served on each respondent and on the executive authority of the Panchayat concerned and the election authority. Copies shall also be affixed to the notice board of the election court and of the office of the Panchayat. The election court may also call on the petitioner to execute a bond in such amount and with such sureties as it may require for the payment of any further costs. At any time within fourteen days after such publication any other candidate shall be entitled to be joined as a respondent on furnishing similarly such security as may be demanded by the election court.

6. (1) Every election petition shall be enquired into by the election court as nearly as may be in accordance with the procedure applicable under the Code of Civil Procedure, 1908, to the trial suits :

Provided that it shall only be necessary for the election court to make a memorandum of the substance of the evidence of any witness examined by it.

(2) The election court shall have the powers which are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters :—

(*a*) discovery and inspection,

(*b*) enforcing the attendance of witnesses, and requiring the deposit of their expenses.

(*c*) compelling the production of documents,

(*d*) examining witnesses on oath,

(*e*) reception of evidence taken on affidavit, and

(*f*) issuing commissions for examination of witnesses, and may summon and examine *suo motu* any person whose evidence appears to it to be material.

7. (1) No election petition shall be withdrawn without the leave of the election court.

(2) If there are more petitioners than one, no application to withdraw a petition shall be made except with the consent of all the petitioners.

(3) When an application for withdrawal is made, notice thereof fixing a date for the hearing of the application shall be given to all other parties to the petition and shall be published in the manner specified in rule 5.

(4) No application for withdrawal shall be granted if the election court is of opinion that such application has been induced by any bargain or consideration which it considers ought not to be allowed.

(5) If the application is granted—

(a) the petitioner shall be ordered to pay costs of the respondent theretofore incurred or such portion thereof as the election court may think fit, and

(b) such withdrawal shall be communicated to the executive authority of the panchayat concerned and the election authority by the election court.

8. (1) Any order made by the election court regarding the costs of the enquiry may be produced—

(i) if the person directed by such order to pay the costs has a place of residence or business elsewhere than in the City of Madras, or the Nilgiris district, before the District Munsif having jurisdiction;

(ii) if such person has a place of residence or business in the Nilgiris district, before the Court of the Subordinate Judge, Ootacamund; and

(iii) if such person has a place of residence or business in the city of Madras, before the Court of small causes, Madras.

(2) Such court shall execute such order or cause it to be executed in the same manner and by the same procedure as if it was a decree for the payment of money made by itself in a suit.

9. An election petition shall abate on the death of a sole petitioner or of the survivor of several petitioners, and such abatement shall be communicated to the executive authority of the panchayat concerned and the election authority by the election court.

10. Where at any inquiry into an election petition any candidate, other than a returned candidate, claims the seat for himself, the returned candidate or candidates or any other party to the proceeding may give evidence to prove that the election of such candidate would have been void if he had been a returned candidate and a petition had been presented complaining of his election

11. If in the opinion of the election court—

(*a*) a returned candidate, his agent or any other person with the connivance of such candidate or agent, has committed, or abetted the commission of any election offence falling under Chapter IX-A of the Indian Penal Code, or any law or rule relating to the infringement of the secrecy of an election, or

(*b*) the election of a returned candidate has been procured or induced or the result of the election has been materially affected, by any of the following corrupt practices, namely :—

(i) any election offence falling under Chapter IX-A of the Indian Penal Code or any law or rule relating to the infringement of the secrecy of an election when committed by a person who is not a candidate or his agent or a person acting with the connivance of a candidate or his agent;

(ii) any payment or promise of payment to any person whomsoever on account of the conveyance of any elector to or from any place for the purpose of recording his vote; and

(iii) the hiring, employment, borrowing or using for the purposes of the election of any boat, vehicle or animal usually kept for letting on hire or from the conveyance of passengers by hire :

Provided that any elector may hire any boat, vehicle or animal or use any boat, vehicle or animal, which is his own property to convey himself to or from the place where the vote is recorded; or

(*c*) the result of the election has been materially affected by any irregularity in respect of a nomination paper or by the improper reception or refusal of a nomination paper or vote or by any non-compliance with the provisions of the Act or the rules made thereunder, the election of such returned candidate shall be void :

Provided that if the election court is of opinion that any corrupt practice specified in clause (*b*) of this rule, which does not amount to any form of bribery other than treating as hereinafter explained has been committed and if the election court is further of opinion that the candidate has satisfied the election court that—

(*a*) no corrupt practice was committed at such election by the candidate and that any corrupt practices committed were committed contrary to the orders and without the sanction or connivance of such candidate;

(*b*) such candidate took all reasonable means for preventing the commission of corrupt practices at such election;

(*c*) the corrupt practices committed were of a trivial, unimportant and limited character; and

(*d*) in all other respects the election was free from any corrupt practice on the part of such candidate or any of his agents; then the election court, may find that the election of such candidate is not void.

*Explanation.*—For the purpose of this rule ' treating ' means the incurring in whole, or in part by any person of the expense of giving or providing any food, drink, entertainment or provision to any person with the object, directly or indirectly of inducing him or any other person to vote or refrain from voting or as a reward for having voted or refrained from voting.

12. (1) At the conclusion of the inquiry, the election court shall declare whether the election of the returned candidate or candidates is void under rule 11.

(2) If the election court declares the election of the returned candidate or candidates void, it shall further pass and order either—

(*a*) declaring that any other party to the petition who has under these rules claimed the seat has been duly elected; or

(*b*) ordering a fresh election.

(3) The order of the election court under sub-rules (1) and (2) shall be final.

(4) A copy of every order under sub-rule (1) or sub-rule (2) shall be communicated to the executive authority of the panchayat concerned and the election authority.

13. When an election is declared void under sub-rule (1) of rule 12 and a fresh election is ordered under clause (*b*) of sub-rule (2) of that rule, the seat, of the returned candidate or the seats of the returned candidates, as the case may be, shall be deemed to be vacant from the date of the order of the election court and the authority concerned shall forthwith take the necessary steps for holding such fresh election.

14. (1) Notwithstanding anything contained in the foregoing rules, where more than one person claims that he has been elected as the President or Vice-President of a panchayat and the election of none of them has been called in question by an election petition presented to the election court within the time specified in sub-rule (1) of rule 2 or where such election petition has, or election petitions have, been presented but subsequently withdrawn, the election authority may, after such inquiry as he considers necessary—

(*a*) declare one of the claimants to have been duly elected as the President or Vice-President of the Panchayat as the case may be, or

(*b*) if he finds that none of the claimants has been duly elected, order a fresh election.

(2) An order passed under clause (*b*) of sub-rule (1) shall be final

(3) Against an order passed under clause (*a*) of sub-rule (1), an appeal may be preferred by any candidate or elector to the election court as defined by sub-rule (2) of rule 1, within fifteen days of the date of the order.

(4) The provisions of these rules shall, so far as may be, apply to such appeal as if it were an election petition presented under these rules.

(5) An order passed under clause (*a*) of sub-rule (1) shall subject to the result of any appeal preferred under sub-rule (3), be final.

15. Notwithstanding anything contained in the foregoing rules, where more than one person claims to have been elected as the President or Vice-President of a Panchayat and the election of one or more of them has been called in question by an election petition presented in accordance with these rules, the election authority may, after such inquiry as he considers necessary, direct one of the claimants to perform the functions of the President or Vice-President of a Panchayat as the case may be until orders are passed by the election court on the election petition.

NOTIFICATION No. 11.

In exercise of the powers conferred by sub-section (3) of section 3 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Period within which appeals should be submitted to Government against notifications relating to formation of panchayats.*

Any rate payer or inhabitant of a local area or any panchayat objecting to a notification under sub-section (1) or sub-section (2) of section 3 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), in respect of such area or panchayat may appeal to the Government within one month from the date of the publication of such notification.

## B. PRESIDENTS, VICE-PRESIDENTS AND MEMBERS.

NOTIFICATION No. 12.

In exercise of the powers conferred by sections 24 and 178 and sub-section (1) of section 179 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Infringement of secrecy of elections.*

1. No polling officer, clerk, or other person in attendance at the polling room shall except for a purpose authorized by law communicate to any person any information showing directly or indirectly for which candidate any voter has voted.

2. A breach of rule 1 shall be punishable with fine which may extend to one hundred rupees.

NOTIFICATION No. 13.

In exercise of the powers conferred by section 30 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules:--

RULES.

*Election of Presidents and Vice-Presidents of Panchayats.*

1. These rules may be called the Madras Panchayats (Election of Presidents and Vice-Presidents) Rules, 1961.

2. The election of the President or Vice-President shall be held in the office of the panchayat where there is one and in case there is no such office in a conspicuous place in the town or village as the case may be, by the members of the panchayat at a meeting specially convened for the purpose.

3. (1) The meeting for the election of the President of a panchayat shall be convened as soon as possible after the occurrence of the vacancy—

(*a*) in the case where a panchayat is newly constituted, or the election is to fill an ordinary vacancy, by the Election Officer; and

(*b*) in all other cases, by the Vice-President and if there is either a vacancy in the office of the Vice-President or he has been continuously absent from jurisdiction for more than fifteen days, or is incapacitated, by the Election Officer.

(2) The meeting for the election of Vice-President of a panchayat shall be convened as soon as possible after the occurrence of the vacancy by the President.

(3) Notice of the day and hour of the meeting shall be given at least seven clear days previous to the date of the meeting.

*Explanation.*—For the purposes of these rules, the expression " Election Officer " means any person or officer appointed by the election authority in this behalf.

4. (1) The meeting for the election of the President of a panchayat shall be presided over—

(i) in the case where a panchayat is newly constituted, or the election is to fill an ordinary vacancy by the Election Officer;

(ii) in all other cases, by the Vice-President and if there is either a vacancy in the office of the Vice-President or he has been continuously absent from jurisdiction for more than fifteen days or is incapacitated, by the Election Officer; and

(iii) if the Vice-President himself intends to stand as a candidate at the election or in his absence by a member not intending to stand as a candidate at the election chosen by the members present at the meeting to preside for the occasion.

(2) The meeting for the election of the Vice-President shall be presided over by the President or in his absence by a member not intending to stand as a candidate at the election chosen by the members present at the meeting to preside for the occasion.

(3) In these rules, the term "President of the meeting" shall mean the Election Officer, President, Vice-President or the member presiding at the meeting for the election of the President or Vice-Presidents as the case may be, under these rules.

5. Every candidate for election as President or Vice-President must be nominated in writing and the nomination paper must be signed by two of the members of the panchayat as proposer and seconder. The proposer shall, when proposing the name of any candidate deliver to the president of the meeting a declaration in writing expressing the candidate's willingness to be elected as President or Vice-President, as the case may be, signed by the candidate and by the proposer and the seconder.

6. The names of all the candidates who have been proposed and seconded shall be read out by the president of the meeting to the members present at the meeting.

7. If there is only one candidate duly nominated to the office of President or Vice-President of the panchayat, there shall be no ballot and the candidate shall be declared to have been duly elected as President or Vice-President, as the case may be.

8. If the number of candidates is more than one, the votes of the members present at the meeting shall be taken by ballot in the manner laid down in the following rules.

9. The president of the meeting shall provide in the place where the meeting is held a voting compartment in which the members can record their votes screened from observation. The president of the meeting shall also place a ballot box for the receipt of ballot papers in the view of the president of the meeting and the members. The ballot box shall be so constructed that the ballot papers can be introduced therein but cannot be withdrawn therefrom without the box being unlocked or opened.

10. The president of the meeting shall, immediately before the votes are taken, show the ballot box empty to such members as may be present so that they may see that it is empty and shall then lock it up and place a seal upon it in such a manner as to prevent its being opened without breaking such seal.

11. Every member wishing to vote shall be supplied with a ballot paper on which the names of all the candidates shall be legibly written in the following form in English and in Tamil :—

*Ballot Paper.*

Panchayat.

Names of candidates duly nominated for election as president or vice-president of the panchayat.

A.

B.

C.

D.

*President of the meeting.*

The ballot paper shall be signed by the president of the meeting before being handed over to the member.

12. The member shall, on receiving the ballot paper, proceed to the voting compartment for the purpose of recording his vote and put a cross mark on the ballot paper against the name of the candidate for whom he wishes to vote. He shall, before quitting the voting compartment, fold up the ballot paper so as to conceal the mark and put the ballot paper so folded up into the ballot box in the presence of the president of the meeting.

13. The president of the meeting shall cause such arrangements to be made as will ensure the secrecy of the ballot and prevent the members who have already voted from having access to the members who are yet to vote. The use of different forms of ballot paper shall amount to a violation of the secrecy of the ballot.

14. (1) If, owing to illiteracy or blindness or other physical infirmity, a member is unable to read the ballot paper and make a mark thereon, and applies for assistance in doing so, the president of the meeting shall record the vote in the ballot paper in accordance with the wishes of the member and fold it up so as to conceal the vote.

(2) The member shall then himself or with the assistance of the president of the meeting insert the ballot paper into the ballot-box.

(3) While acting under this rule the president of the meeting shall observe as much secrecy as is feasible and shall keep a brief record of each such instance but shall not indicate therein the manner in which any vote has been given.

15. After the voting by members is over, the president of the meeting shall open the ballot box in the presence of the members present, take out the ballot papers therefrom and record the number of votes obtained by each candidate in a statement.

16. A ballot paper shall be invalid on which—

(a) there is no cross mark; or

(b) a cross mark is set opposite the name of more than one candidate or is so placed as to render it doubtful to which candidate it is intended to apply; or

(c) a cross mark and some other mark are set opposite the name of the same candidate; or

(d) any mark is made by which the member may afterwards be identified.

17. The candidate who obtains the largest number of votes shall be declared to have been duly elected. If there be an equality of votes between any two or more candidates and the addition of one vote to any one of such candidates will entitle him to be declared duly elected, the president of the meeting shall decide by drawing lots in the presence of the members, to which one of such candidates such additional vote shall be deemed to have been given.

18. Immediately after the meeting, the president of the meeting shall—

(a) prepare a record of the proceedings of the meeting and sign it attesting with his initials every correction made therein and also permit any member present at the meeting to affix his signature to such record, if he expresses his desire to do so;

(b) send a report of the result of the election to the Collector and to such other officer or authority as may be specified by the Government by general or special order; and

(c) publish on the notice board of the panchayat a notification signed by him stating the name of the person elected as President/Vice-President and also publish the notification in such manner as may be specified by the Government by general or special order.

19. (1) The president of the meeting shall then, make up the ballot papers into a packet, seal up the packet and note thereon a description of its contents, the election to which it relates and the date thereof.

(2) These packets shall not be opened and their contents shall not be inspected or produced except under the orders of an election or other competent court.

(3) The packet shall be retained in safe custody in the office of the panchayat for a year and shall then, unless otherwise directed by the orders of a competent court, be destroyed.

20. If any difficulty arises as to the holding of any election under these rules, the Government may, by order do anything not inconsistent with these rules, which appears to them necessary for proper holding of the election.

21. Notwithstanding anything contained in the foregoing rules, the Government may, for sufficient reasons, direct the postponement of the date of the election of President or Vice-President of a panchayat and the Election Officer shall give effect to such direction.

NOTIFICATION No. 14.

In exercise of the powers conferred by sub-sections (2), (3) and (4) of sections 34 and 35 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Devolution and delegation of President's functions.*

Where the absence from jurisdiction of the president is within the State of Madras and is on business connected with the panchayat, his functions, except to the extent, if any, to which functions have been delegated to the vice-president, shall not devolve on the said vice-president under sub-section (2) of section 34 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) hereinafter referred to as " the Act ".

2. The president shall not delegate under section 35 of the Act any of his functions including his function as executive authority where he is also executive authority, to the vice-president or a member, which the panchayat expressly forbids him to delegate.

3. The member to whom the functions of the president including his functions as executive authority where he is also the executive authority, have been delegated shall be styled the president-delegate during the period of delegation.

4. When an order of delegation made by the panchayat to a member is in force, no further order of delegation of any functions shall be made in favour of any member other than the member in whose favour the order in force was made.

5. No delegation shall be made by the president to a member for any period exceeding in the aggregate ninety days in any year without the special sanction of the panchayat.

6. Every order of delegation made by the president to a member shall be communicated to the panchayat at its next meeting and to the Divisional Panchayat Officer and the panchayat union council concerned.

7. The provisions of rules 3 to 6 shall not apply to the delegation by the president of his functions to the vice-president.

*Functions of temporary President—Restrictions.*

8. The temporary president appointed under section 34 (3) of the Act shall not, where the President is also the executive authority, perform any of the functions of the president relating to appointment, promotion or punishment of any officer or servant of the panchayat.

*Reporting of vacancy in the office of President.*

9. Every vacancy in the office of the president shall be reported to the election authority by the executive officer in the case of town panchayats and by the vice-president in the case of village panchayats, or if there is a vacancy in the office of the executive officer or the vice-president, or if the executive officer or the vice-president has been continuously absent from jurisdiction for more than fifteen days or is incapacitated, by the headman of the revenue village or the gramasevak or gramasevika of the place in which the office of the panchayat is situated.

10. The report referred to in rule 9 shall be sent within three days from the date of occurrence of the vacancy.

## NOTIFICATION No. 15.

In exercise of the powers conferred by sub-section (1) and clause (v) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Governor of Madras hereby makes the following rules :—

### RULES.

*Resignation of Presidents, Vice-Presidents and members of Panchayats.*

1. Any member of a panchayat other than the President or any Vice-President of such panchayat may resign his office by giving notice in writing to the President. Such resignation shall take effect from the date on which it is received by the President.

2. The President of a panchayat may resign his office by giving notice in writing to the panchayat. Such resignation shall take effect from the date on which it is placed before the panchayat.

NOTIFICATION No. 16.

In exercise of the powers conferred by sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Travelling allowance to Presidents, Vice-Presidents, members, etc., of Panchayats.*

1. The travelling allowances payable to—

(*a*) members of Panchayats including Presidents, Vice-Presidents, temporary Presidents and Presidents-delegate;

(*b*) outsiders appointed as members of committees of panchayats with reference to the rules framed under section 178 (2) (vii) of the Madras Panchayats Act, 1958, shall be governed by the provisions of the Madras Travelling Allowance Rules, as amended from time to time, subject to the modifications and limitations specified in rules 2 and 3.

2. The persons mentioned in clauses (*a*) and (*b*) of rule 1 shall be entitled to the rates of travelling allowance as specified below :—

Railway or steamer journey—One third class fare.

Daily allowance and mileage—Actual expenses within such limits as may be fixed by the authority competent to sanction the travelling allowance subject to a maximum daily allowance of one rupee and a maximum mileage of 13 naye Paise by road or canal.

NOTE.—The above rates shall be governed by rule 11 of the Madras Travelling Allowance Rules (Part II of the Madras Manual of Special Pay and Allowances, Volume I) in the same manner as the rates laid down in Annexure I to those rules.

3. The President, Vice-President, temporary President-delegate or other member of a panchayat or an outsider appointed as a member of the committee may travel on business connected with the panchayat to places outside the jurisdiction of the panchayat and claim travelling allowances for journeys so performed, if such journeys were undertaken with the previous permission of the Divisional Panchayat Officer concerned. 1248 26-4-61

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NOTIFICATION No. 17.

In exercise of the powers conferred by section 50 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Production of documents by Executive Authority.*

The executive authority shall comply with every requisition of the panchayat, to produce any document which is in his custody unless in his opinion immediate compliance therewith would be

prejudicial to the interests of the panchayat or of the public, in which case he shall make a declaration in writing to that effect and shall, if required by the panchayat, refer the question to the Revenue Divisional Officer or to any officer empowered by the Revenue Divisional Officer in this behalf and the decision of such Revenue Divisional Officer or Officer shall be final.

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NOTIFICATION No. 18.

In exercise of the powers conferred by sections 51 and 178 (2) (vi) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Proceedings of Panchayats and Committees of Panchayats.*

### I. Proceedings of Panchayats.

1. Every panchayat shall provide an office and it shall meet therein at least once in every month for the transaction of business upon such days and at such times as it may arrange and also at other times as often as a meeting shall be called by the president.

2. No meeting shall be held on any day observed by the panchayat as a holiday.

3. (1) No meeting shall be held unless notice of the day and time when the meeting is to be held and of the business to be transacted thereat has been given at least three clear days before the day of the meeting.

(2) In cases of urgency, the president may convene a meeting on giving shorter notice than specified in sub-rule (1).

4. (1) The president shall, on the requisition in writing of not less than one-third of the members then on the panchayat, convene a meeting of the panchayat, provided that the requisition specifies the day (not being a day observed by the panchayat as a holiday), when and the purpose for which the meeting is to be held. The requisition shall be delivered at the office of the panchayat during office hours to the president, the executive officer or any other person who may then be in charge of the office, at least ten clear days before the day of the meeting.

(2) If the president fails within forty-eight hours from the delivery of such requisition to call a meeting on the day specified therein, or within three days thereafter, the meeting may be called by the members who signed the requisition on giving the notice provided for in sub-rule (1) of rule 3 to the other members of the panchayat.

(3) No meeting under sub-rule (1) or sub-rule (2) shall be convened at any place other than the place where the office of the panchayat is situated.

5. All the meetings of a panchayat shall be open to the public, provided that the presiding member may, in any particular case direct that the public generally or any particular person shall withdraw.

6. All questions which may come before a panchayat at any meeting shall be decided by a majority of the members present and voting at the meeting and, in case of equality of votes. the presiding members shall have and exercise a second or casting vote. In the case of any resolution not carried unanimously, the names of the members who vote for and against it shall be recorded.

7. No business shall be transacted at a meeting of any panchayat unless there be present at least one-third of the number of members then on the panchayat.

8. If, within half an hour after the time appointed for a meeting, a quorum is not present, the meeting shall stand adjourned, unless all the members present agree to wait longer.

9. No resolution of a panchayat shall be modified or cancelled within three months after the passing thereof except at a meeting specially convened in that behalf and by a resolution of a panchayat supported by not less than one-half of the sanctioned number of members.

10. The proceedings of a panchayat may be either in English or in Tamil. Minutes of the proceedings at every meeting shall be drawn up and entered in a book to be kept for that purpose and shall be signed by the presiding member, or in his absence by some one of the members present thererat. The said minutes shall, at all reasonable times without charge, be open at the office of the panchayat to the inspection of any person who pays to the panchayat any tax under this Act.

11. Every committee of the panchayat shall meet in the panchayat office for the transaction of business as often as a meeting shall be called by the chairman. Rules 3, 6, 7, 8 and 10 shall *mutatis mutandis* apply to the proceedings of a committee of the panchayat, and all reference to the panchayat, members or the president thereof shall, wherever necessary, be construed as references to the committee, members or the chairman thereof.

12. A copy of the minutes of the proceedings at every meeting of a committee of the panchayat shall, within three days of the date of the meeting, be forwarded by the chairman of the

committee to the president of the panchayat and the president shall place the same before the panchayat at the first meeting of the panchayat held after the receipt thereof by him.

13. Every committee of the panchayat may, for transacting the business of the committee and for carrying out the purposes for which it is constituted, utilize the service of the staff of the panchayat.

## II. General.

14. The executive authority shall have the custody of the proceedings and records of the panchayat and of any committees thereof and may grant copies of any such proceedings or records on payment of such fees as are leviable under the rules made under section 178 (2) (xxvii) of the Act. Copies shall be certified by the executive authority as provided in section 76 of the Indian Evidence Act 1872, and copies so certified may be used to prove the proceedings or records of the panchayat or committee in the same manner as the proceedings of a municipal body may, under clause (5) of section 78 of the said Act, be used to prove the proceedings of that body.

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## NOTIFICATION No. 19.

In exercise of the powers conferred by sub-section (2) of section 52 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

### *Constitution, powers, procedure, etc., of Joint Committees.*

1. A joint committee may include persons who are not members of the local authorities concerned but who may, in their opinion, possess special qualifications or special interest for serving on such committee :

Provided that the number of such persons shall not exceed one-third of the total number of members of the joint committee.

2. The constitution of a joint committee shall be by means of regulations which shall not, except in the cases referred to in rules 5 and 6, have effect unless assented to by each of the local authorities concerned.

3. The regulations shall determine—

(a) the total number of members of the joint committee;

(b) the number who shall be members of the local authorities. concerned and the number who may be outsiders;

(c) the persons who shall be members of the joint committee or the manner in which they shall be elected or appointed;

(*d*) the person who shall be chairman of the joint committee or the manner in which he shall be elected or appointed;

(*e*) the term of office of members and chairman;

(*f*) the powers, being powers, exercisable by one or more of the local authorities concerned, which may be exercised by the joint committee; and

(*g*) the procedure of the joint committee.

4. Regulations made under rules 2 and 3 may be varied or revoked provided that all the local authorities concerned assent to such variation or revocation.

5. If the Inspector takes action under sub-section (1) of section 52, he may issue such directions as he thinks necessary or desirable in respect of all or any of the matters referred to in rules 2 and 3.

6. If any difference of opinion arises between local authorities under any of the foregoing rules, it shall be referred to the Inspector whose decision shall be final.

7. The powers of the Inspector under sub-section (1) of section 52 or under any of the foregoing rules shall, where one of the local authorities concerned is a cantonment authority or the port authority of a major port be exercisable only with the concurrence of the Central Government obtained through the State Government.

## NOTIFICATION No. 20.

In exercise of the powers conferred by clause (vi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Moving of resolution at meetings of Panchayats.*

1. A member who wishes to move a resolution shall intimate his intention in writing to the President by giving at least ten clear days' notice and such notice shall contain a copy of the resolution which he wishes to move :

Provided that the President may allow a resolution with shorter notice than ten days to be entered on the list of business.

2. No resolution shall be admissible which does not comply with the following conditions, namely :—

(*a*) it shall be clearly and precisely expressed and shall raise a definite issue; and

(b) it shall not contain arguments, inferences, iron.lu. expressions or defamatory statements, nor shall it refer to the conduct or character of persons except in their official or public capacity.

3. The President shall decide on the admissibility of a resolution, and shall disallow any resolution which, in his opinion, contravenes the provisions of the Madras Panchayats Act, 1958 or the rules made thereunder and the decision of the President shall be final:

Provided that if in the opinion of the President a resolution relates to a matter which is unconnected with the administration of a panchayat, the President shall refer the resolution to the Collector and obtain his orders as to its admissibility.

4. A resolution which has been admitted by the President shall be entered in the list of business in the notice for the meeting.

5. (1) A member in whose name a resolution appears, on the list of business shall, when called on, either—

(a) withdraw the resolution, in which case he shall confine himself to a mere statement to that effect; or

(b) move the resolution.

(2) If the member when called on is absent or proposes to withdraw or is willing to move the resolution, or if he has ceased to be member before the meeting, any member present at the meeting may move the resolution; and if no member moves it, it shall be considered to have been withdrawn.

(3) Every resolution which has been moved shall be seconded; otherwise it shall not be discussed.

6. No speech, except with the permission of the President shall exceed fifteen minutes in duration:

Provided that the mover of a resolution, when moving the same may speak for not more than thirty minutes.

7. The discussion of a resolution shall be strictly limited to the subject of the resolution.

8. (1) When a resolution is under discussion any member may, subject to rules 2, 3, 6 and 7 move an amendment to such resolution.

(2) Every amendment which has been moved shall be seconded; otherwise it shall not be discussed.

9. (1) A member who has moved a resolution or an amendment to a resolution shall not withdraw the same except by leave of the panchayat.

(2) No discussion shall be permitted on a motion for leave to withdrawn except with the premission of the President.

10. (1) When an amendment to any resolution is moved, or when two or more such amendments are moved, the President, shall, before taking the sense of the panchayat thereon, state or read to the panchayat, the terms of the original motion and of the amendment or amendments porposed.

(2) Ordinarily the President shall put the amendments to the vote in the order in which they have been moved and lastly the original motion, if all the amendments are lost. But it shall be in his discretion in any case to put to the vote the original motion and the amendments in such order as the President thinks fit.

11. When any resolution involving several points has been discussed, it shall be in the discretion of the President to divide the resolution into points and put each of such points separately to the vote as the President may think fit.

*Explanation.*—In these rules " President " includes the person for the time being in charge of the office of the President under sub-sections (1), (2), or (3) of sections 34 and 35 of the Madras Panchayats Act, 1958.

## NOTIFICATION No. 21.

In exercise the powers conferred by clause (vi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES

*Interpellation of President by the members of Panchayat.*

1. No question shall be asked or answered at a meeting of a panchayat as to any matter not concerned with the panchayat administration, and no question shall be asked except as to matters of fact and the answer shall be confined to a statement of facts. Except as thus provided, any question may be asked by any member of a panchayat, subject to the conditions and restrictions specified in the following rules.

2. A member of a panchayat, who wishes to ask a question shall intimate his intention in writing to the President by giving at least ten clear days' notice; such notice shall contain a copy of the question he wishes to ask.

3. In order that a question may be admissible, it must satisfy the following conditions, namely :—

(1) it must not publish any name or statement not strictly necessary to make the question intelligible;

(2) if a question contains a statement, the member asking it must make himself responsible for the accuracy of the statement;

(3) it must not contain arguments, inferences, ironical expressions or defamatory statements;

(4) it must not ask for an expression of opinion or the solution of an abstract legal question or of a hypothetical proposition;

(5) it may not be asked as to the character or conduct of any person except in his official or public capacity;

(6) it must not be of excessive length; and

(7) a question once fully answered may not be asked again.

4. The President shall decide on the admissibility of a question and either allow or disallow it before the date fixed for the next meeting for which it may be in time under rule 2. He may disallow any question, if in his opinion, it is an abuse of the right of questioning or where, in his opinion, it cannot be answered consistently with the public interests, and shall disallow any question which, in his opinion, contravenes any of these rules; and in such case, the question shall not be entered in the proceedings of the panchayat.

5. Questions allowed by the President shall be entered in the agenda paper for the day and the President shall answer every question so entered, if not previously withdrawn by the member putting it, in the order in which it stands in the paper, before any business is entered upon at the meeting.

Provided that the President may, at his discretion, on the ground of public interest, answer a question on the agenda paper, even though the question may have been withdrawn.

6. Any member may put a supplementary question for the purpose of further elucidating any matter of fact regarding which an answer has been given :

Provided that the President shall disallow any supplementary question if, in his opinion, it infringes the rules as to the subject-matter of questions :

Provided also that he may decline to answer a supplementary question without notice, in which case it may be put only in the form of a fresh question at a subsequent meeting of the panchayat.

7. No discussion shall be permitted in respect of any question or of any answer given to a question asked under these rules.

8. The question asked and the answer given to it shall be entered in the proceedings of the panchayat.

9. In these rules, "President" includes the person for the time being in charge of the office of the President under sub-sections (1), (2), (3) of section 34 and section 35 of the Madras Panchayats Act, 1958.

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NOTIFICATION No. 22.

In exercise of the powers conferred by clause (vii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the folowing rules :—

## RULES.

*Constitution of committees of Panchayats, inclusion of outsiders therein and the delegation of functions to such committees.*

1. A town panchayat may constitute an Appointment Committee which shall be composed of the President of the town panchayat, the Executive Officer and one member elected from among its members annually by the panchayat. In the case of the village panchayat the Appointment Committee shall consist of the President of the village panchayat and the two members elected from among its members annually by the panchayat. Appointments to all posts in the panchayat (except in those which are specifically excluded from its purview under the provisions of the Madras Panchayats Act, 1958 or the rules made thereunder) the pay of which is debitable to the funds of the panchayat shall be made with the prior approval of the Appointment Committee.

2. A General Purposes Committee may also be constituted by the panchayat for the efficient performance of its duties and functions. This committee shall consist of such number of members as may be specified by the panchayat and shall include the President ex-officio. The members of the Committee other than the President shall be elected annually by the panchayat.

3. A panchayat may constitute other committees for the purpose of exercising such powers, discharging such duties and performing such functions as it may delegate to them and may also constitute Committees to inquire into and report or advise on any matters which it may refer to them.

4. (i) A panchayat may, by a resolution supported by not less than one half of its mentioned strength, appoint as members of any Committee constituted under rule 3 any persons who are not members of the panchayat but who may, in its opinion, possess special qualifications or special interest for serving on such committee, but the number of such persons shall not exceed one-third of the total number of members of such Committee.

(ii) The provisions of the Madras Panchayats Act, 1958, relating to the duties, powers, liabilities, disqualifications and disabilities of members of the panchayat shall be applicable, as far as may be, to the members of the Committees who are not members of the panchayat.

5. The President shall by virtue of his office, be a member and the chairman of every Committee constituted under these rules.

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NOTIFICATION No. 23.

In exercise of the powers conferred by clause (xxvii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Governor of Madras hereby makes the following rules:—

RULES.

*Grant of copies of proceedings or records.*

1. A person requiring copies of or extracts from proceedings or records of a panchayat shall submit an application (giving his full name and address and as accurate a description of the proceedings or records as possible) to the executive authority. When the proceedings or records, copies of or extracts from which are applied for, belong to any year prior to the current calendar year, a search fee according to the scale specified below shall be remitted to the panchayat as soon as the application has been admitted:—

(*a*) for searching records of any one year for a single document or entry—Fifty naye Paise.

(*b*) For searching the records of every additional year—Twenty-five naye Paise.

NOTE.—(1) The term "person" includes a member, Vice-President or President of a panchayat.

(2) A separate application need not be presented in respect of each proceeding or record of which a copy or extract is required.

(3) Enclosures or annexures to letters, accounts or other documents form part of the documents to which they appertain and shall not be reckoned for purposes of search as separate documents.

2. If the record is not found, the fee paid shall not be refunded, but the applicant shall be furnished with a certificate stating that the document applied for cannot be found.

3. (1) If the record is found and the Executive Authority decides to grant copies of or extracts from it, the applicant shall deposit in cash, a fee of nineteen naye Paise for every 175 words or part thereof.

(2) In the case of statements or extracts from registers where figures have to be copied, five figures shall be taken as equivalent to one word.

(3) In the case of maps or plans a reasonable fee shall be fixed by the Executive Authority in consultation with the engineering staff in charge of the panchayat or panchayat union works.

4. The Executive Authority shall intimate to the applicant the fees chargeable for the copy of, or extract from, the proceedings or record. On receipt of the fee he shall have the copies, extracts, or tracings prepared. The copies or extracts shall then be certified by him as true after scrutiny in office and furnished to the applicant if he appears in person to receive them, or sent by post if the applicant has deposited necessary postage stamps for the purpose.

5. A receipt signed by the Executive Authority or any person empowered by him in this behalf shall be furnished to every person depositing search fees or copying fees.

6. If the executive authority considers the grant of the copy of or extracts from any proceeding or record objectionable, he shall reject the application by an endorsement stating briefly the reasons for doing so. 1248 26-4-61
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## NOTIFICATION No. 24.

In exercise of the powers conferred by clause (xlvii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Manner of publication of notification or notice.*

1. Every notification issued under the Act by the Government or the Additional Development Commissioner or the Collector shall be published in the ***Fort St. George Gazette.***

2. Save as otherwise expressly provided in the Act or in the rules made thereunder, every notification under the Act other than the one issued by the Government or the Additional Development Commissioner or the Collector shall be published in the official gazette of the district to which such notification applies both in English and in Tamil :

Provided that the Government shall have power to direct that any such notification—

(i) shall be published in the said gazette either in English or in Tamil,

(ii) shall, instead of being published in the said gazette, be published in any other manner specified by them, or

(iii) shall, in addition to being published in the said gazette, be published in such manner as may be specified by them.

3. Whenever a panchayat sets apart any place for any purpose or prohibits the doing of anything in any place, the executive authority shall cause to be put up in such place a notice in Tamil specifying the purpose for which such place has been set apart or the act prohibited in such place.

4. Save as otherwise expressly provided in the Act or in the rules made thereunder, every notice to the public under the Act shall be published—

(*a*) by affixing a copy thereof in some conspicuous place in—

(i) the office of the panchayat; and

(ii) the chavadi or chavadis, if any, in the village or town,

and

(*b*) by beat of drum in the village or town.

5. Notwithstanding anything contained in the above rules, any notification under sections 3, 10, 15 or 16 of the Act—

(*a*) shall be published in the *Fort St. George Gazette* and a copy of the notification in Tamil shall be affixed to some conspicuous place in the office of the panchayat concerned and in the chavadi or chavadis, if any, in the village or town; and

(*b*) shall also be published in due course in the District Gazette both in English and in Tamil.

6. In these rules, the words "the Act" mean, the Madras Panchayats Act, 1958.

NOTIFICATION No. 25.

In exercise of the powers conferred by sub-section (3) of section 182 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Authority for taking possession of properties of Panchayats from outgoing Presidents, etc.*

The prescribed authority for the purposes of sub-section (3) of section 182 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), shall be the Deputy Panchayat Officer having jurisdiction.

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## CHAPTER II—ESTABLISHMENT.

### NOTIFICATION No. 26.

In exercise of the powers conferred by sub-sections (1) and (2) of section 58, sections 59 and 60 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Power of Government to relax rule or regulation in respect of establishment of Panchayats.*

No rule or regulation made under the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) shall be construed to limit or abridge the power of the Government to deal with the case of any officer or servant of a Panchayat or any candidate for appointment to the service of a Panchayat in such manner as may appear to them to be just and equitable :

Provided that where any such rule or regulation is applicable to the case of any such officer or servant of a Panchayat or to any candidate for appointment to the service of a Panchayat the case shall not be dealt with in any maner less favourable to such officer or servant of the Panchayat or to the candidate for appointment to the service of the Panchayat, as the case may be, than that provided by that rule or regulation.

### NOTIFICATION No. 27.

In exercise of the powers conferred by sub-section (1) of section 58 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Grant of holidays by Panchayats to institutions under their control.*

The offices and institutions under the control of panchayats shall be permitted to observe only such public and special holidays as may be sanctioned by the Government from time to time in respect of Government offices and institutions :

Provided that no Panchayat shall grant to offices and institutions under its control holidays other than those sanctioned to Government offices and institutions without the previous sanction of the Collector.

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NOTIFICATION No. 28.

In exercise of the powers conferred by sub-section (1) of section 58 and section 61 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Personal conduct of officers and servants of Panchayats.*

1. *Gifts, gratuities and rewards.*—(1) Save as otherwise provided in these rules, an officer or servant of a panchayat shall not, except with the previous sanction of the executive authority, accept directly or indirectly on his own behalf or on behalf of any other person, or permit any member of his family so to accept any gift, gratuity or reward or any offer of a gift, gratuity or reward from any person who is not related to him.

(2) Subject to the provisions of any general or special order of the Government, an officer or servant of a panchayat may accept from any person a complimentary gift of flowers or fruits or similar articles of trifling value but all officers and servants of a panchayat shall use their best endeavours to discourage the tender of such gifts.

(3) Subject to the provisions of any general or special order of the Government, an officer or servant of a panchayat may accept, or permit any member of his family to accept, from a person who is his personal friend, a wedding gift of a value which is reasonable in all the circumstances of the case. All officers and servants of a panchayat shall use their best endeavours to discourage the tender of such gifts and such acceptance or permission shall be reported to the executive authority and if the executive authority so requires, the gift shall be returned to the donor.

(4) If an officer or servant of a panchayat cannot, without giving undue offence, refuse a gift of substantial value from a person, he may accept the same, but shall, unless the Panchayat otherwise directs, deliver the gift to the Panchayat.

(5) Subject to the provisions of any special or general order of the Government, a medical or veterinary officer of a Panchayat may accept any gift, gratuity or reward offered in good faith by any person or body of persons in recognition of his professional services :

Provided that no veterinary officer of a Panchayat shall accept any gift, gratuity or reward for inoculating animals against contagious diseases.

(6) No officer or servant of a Panchayat shall make a habitual use of vehicles or animals belonging to others or travel free of charge in any vehicle plying for hire.

2. *Subscriptions.*—An officer or servant of a Panchayat shall not take any part in the collection of subscriptions for any public or local purpose.

3. *Purchase of resignation.*—Officers or servants of a Panchayat shall not enter into any pecuniary arrangement for the resignation by one of them of any office under the Panchayat for the benefit of others. Should this rule be infringed, any appointment consequent upon such resignation shall be cancelled and such parties to the arrangement as are still in the service shall be suspended pending the orders of the executive authority.

4. *Control over immovable property held or acquired by officers and servants of Panchayats.*—Every officer or servant of a Panchayat or candidate for service under a Panchayat shall make to the executive authority a declaration of all immovable property which may from time to time be held or acquired by him or by his wife or by any member of his family living with or in any way dependent on him. Such declaration shall state the district within which the property is situated and shall give such further information as the Panchayat may by general or special order require.

This rule shall apply only to officers and servants in, and candidates for appointment to, the superior service as defined in rules regulating the grant by Panchayats of gratuity to their officers and servants.

NOTE.—(i) The declaration must include all immovable property held or acquired wherever situated in India. It should, as far as possible, give all the details specified in the form in Appendix A.

(ii) Every officer or servant of a Panchayat shall submit to the executive authority not later than the 15th January in each year a statement in the form given in Appendix A showing all the immovable property of which he stood possessed, or in which he had an interest at the close of the preceding calendar year. In columns (6) to (16) and (19) to (21), of the form, particulars shall be entered of any immovable property relinquished or otherwise disposed of.

(iii) If in any year an officer or servant of a Panchayat has neither acquired nor relinquished or otherwise disposed of any immovable property or any interest in immovable property, he may instead of a return in the form given in Appendix A submit a certificate in the form below :—

"I, A.B., do solemnly declare that since the submission by me of the return/certificate on                I have not acquired or become possessed of, either in my own name or in that of any other person, or relinquished or otherwise disposed of any immovable property or any beneficial or other interest, in immovable property.

Place

Date

(Signature) A.B.,
Official designation."

(iv) The annual return shall include all immovable property acquired or registered in the name of the officer or servant of the Panchayat either on his own account or as a trustee, executor or administrator or temple mirasdar or acquired or registered in the name of or held or managed by his wife or by any other member of his family living with or in any way dependent on him. In the case of an officer or servant of a panchayat who follows the Marumakkatayam or Aliyasanthana law, the statement shall include acquisitions of immovable property by his consort.

(v) A statement in the form given in Appendix B showing the immovable property held by each officer or servant shall be recorded in his service book. This statement shall be revised every year with reference to the particulars furnished under Note (ii) above. Every entry or alteration in the statement shall be duly attested by the officer competent to record the certificate of annual cerification in the service book concerned.

(vi) A candidate for appointment under a panchayat shall submit with his application a statement in the form given in Appendix A.

(vii) Any attempt to mislead and any failure to give full and correct information will render the officer or servant concerned liable to dismissal from service.

5. *Promotion and management of companies.*—(1) No officer or servant of a panchayat shall accept paid employment in any company, or mutual benefit society, or act as an agent, whether paid by salary or by commission, to the Life Insurance Corporation of India, or any insurance company or society.

(2) Any officer or servant of a panchayat may, with the previous sanction of the executive authority take part in the management of a mutual benefit society, provided that no remuneration is accepted therefor.

(3) Any officer or servant of a panchayat may take part in the promotion of co-operative societies and may with the previous sanction of the executive authority, hold office in any co-operative society, or serve on any committee appointed for its management, or accept remuneration from it for any service rendered by him.

(4) Before according sanction in any case under sub-rule (2) or (3), the executive authority shall satisfy himself that the work undertaken by the officer or servant will be performed without detriment to his official duties.

6. *Private trade or employment.*—(1) An officer or servant of a panchayat shall not engage in any trade or undertake any employment other than his public duties.

(2) An officer or servant of a panchayat may undertake honorary work of a social or charitable nature or occasional work of a literary or artistic character provided that his official duties do

not suffer thereby. But the panchayat may at any time forbid him to undertake or require him to abandon any employment which in its opinion is undesirable.

(2) (*a*) In the case of broadcast talks on educational problems, no officer or servant of a panchayat shall deliver a broadcast talk at a broadcasting station on any subject without the previous permission of the Collector. The Collector may refer any case to Government for orders if he considers such a course desirable.

(*b*) An officer or servant of a panchayat who is invited or who wishes to deliver a broadcast talk shall intimate to the Collector through the proper channel, the subject on which he proposes to talk and if it is on a subject directly or indirectly connected with his official duties, or if so required, shall submit the full test of the talk for the approval of the Collector before it is delivered.

(*c*) The provisions of clauses (*a*) and (*b*) shall apply *mutatis mutandis* to the broadcast by an officer or servant of a Panchayat of musical or other performances (including the playing of prepared "recitals" or gramophone records).

7. *Pecuniary transactions with contractors.*—All officers and servants of Panchayats are prohibited from having any pecuniary transactions with panchayat contractors or any other person in any way connected with any department under the panchayat.

8. *Insolvency and habitual indebtedness.*—An officer or servant of a panchayat shall avoid habitual indebtedness. If he is adjudged or declared insolvent, or has incurred debt aggregating a sum which in ordinary circumstances he could not repay within a period of two years or if a part of his salary is frequently attached for debt, has been continuously so attached for a period of two years, or is attached for a sum which, in ordinary circumstances he could not repay within a period of two years, he may, unless he proves that the insolvency or indebtedness is the result of circumstances which with the exercise of ordinary diligence, he could not have foreseen or over which he had no control and has not proceeded from extravagant or dissipated habits, be presumed to have contravened this rule. An officer or servant of a panchayat who applies to be or is adjudged or declared insolvant, shall forthwith report his insolvency to the head of the office or department in which he is employed.

9. *Communication of official documents or information.*—No officer or servant of a panchayat shall, except when generally or specially empowered in this behalf by the panchayat, communicate directly or indirectly any document or information which has come into his possession in the course of his official duties or has been prepared or collected by him in the course of those duties whether from official sources or otherwise to any other

officer or servant of the panchayat or an officer or servant of any other local authority or a servant of the Government unauthorized to receive the same, or to a non-official person or to the press.

10. *Connection with the press.*—An officer or servant of a panchayat shall not become a proprietor in whole or in part of conduct or participate in the editing or management of any newspaper or other periodical publication.

11. *Restrictions on the publication of documents and on communication to the press.*—(1) No officer or servant of a Panchayat shall, in any radio broadcast or in any document published anonymously or in his own name or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion—

(i) which has the effect of an adverse criticism of any current or recent policy or action of the Central Government or a State Government, panchayat union council or a panchayat, or a municipal council; or

(ii) which is capable of embarrassing the relations between the Central Government, the State Government, panchayat, panchayat union councils and municipal councils; or

(iii) which is capable of embarrassing the relations between the Central Government and the Government of any foreign State :

Provided that nothing in this rule shall apply to any statements made or views expressed by an officer or servant of a panchayat in his official capacity or in due performance of the duties assigned to him.

(2) An officer or servant of a panchayat who intends to publish any document under his own name or to make any communication to the press under his own name or to deliver any public utterance containing statements in respect of which any doubt as to the application of the restrictions imposed by sub-rule (1) may arise, shall submit to the Collector a copy of the draft of the document which he intends to publish or of the communication which he intends to make or of the utterance which he intends to deliver, and shall not publish the document, make the communication or deliver the utterance save with the sanction of the Collector and with such alterations, if any, as he may direct.

12. *Evidence before committees.*—An officer or servant of a panchayat shall not give evidence before a public committee, unless he has first obtained the permission of the executive authority. In giving such evidence he shall not criticise the policy or decisions of the panchayat or of the State or Central Government.

This rule shall not apply to the evidence given before statutory committees with power to compel attendance and the giving answers or to evidence given in judicial enquiries.

13. *Taking part in elections.*—An officer or servant of a panchayat shall not stand as a candidate, or interfere, or use his influence in any way or do anything in aid or in obstruction of any candidate, in any election to a legislative body or local authority, nor shall he take part in or subscribe in aid of any electioneering party organization :

Provided that an officer or servant of a panchayat who is qualified to vote at such an election may exercise his right to vote but shall, as far as possible, avoid giving any indication of the manner in which he proposes to exercise that right.

This rule shall apply only to whole-time officers and servants.

14. *Taking part in politics.*—Subject to any general or special order of the Government, no officer or servant of a panchayat shall take part in, subscribe in aid of, or assist in any way any political movement in India, or relating to Indian affairs. When there is room for doubt whether any action which an officer or servant proposes to take will contravene this rule, he should refer the matter to the Collector through the executive authority whose decision thereon shall be final.

NOTE.—Subversive activities or the expression of disloyal sentiments by an officer or servant will be regarded as sufficient ground for dispensing with his services.

15. *Responsibility of officers and servants for acts of their family.*—An officer or servant of a panchayat is responsible for any act done by his wife or by any other member of his family living with or in any way dependent on him which, if done by himself, would constitute a breach of the rules.

16. *Vindication of acts and character of panchayat officers or servants as such.*—An officer or servant of a panchayat may not, without the previous sanction of the executive authority, have recourse to any court or to the press for the vindication of his official acts or character from defamatory attacks.

Nothing in this rule shall limit or otherwise affect the right of any officer or servant of a panchayat to vindicate his private acts or character.

17. *Address while under suspension.*—When an officer or servant of a panchayat is suspended, he is free to go where he likes, but he shall leave his address with the executive authority. He shall also leave his address with the officer, if any, holding an enquiry into his conduct.

He shall obey all orders to attend any inquiry into his conduct and if he fails to do so, the inquiry may be held in his absence.

18. *Influencing superior authorities for furtherance of interests.*—No officer or servant of a panchayat shall bring or attempt to bring any political or other outside influence to bear upon any superior authority for the furtherance of his interests. The penalty for a contravention of this rule shall be the withholding of promotion from him either permanently or for such period as the executive authority may determine, or the reduction to a lower stage in the time-scale of pay.

*Explanation.*—An officer or servant of a panchayat causing his own case to be made a subject of an interpellation in the panchayat or in Parliament or in the State Legislature contravenes this rule.

19. *Addressing or interviewing superior authorities.*—(1) No officer or servant of a panchayat may address directly any superior authority other than that to which he is immediately subordinate in any matter relating to his official duties or affecting him personally as such officer or servant.

NOTE.—An officer or servant of a panchayat who has addressed through his immediate superior authority may, if he wishes, submit to the superior authority direct a copy of the communication sent through his immediate official superior.

(2) No officer or servant of a panchayat may approach any person, official or non-official, other than the officer to whom he is immediately subordinate in order to enlist support in respect of a matter affecting him personally as an officer or servant of a panchayat or to obtain testimonials or certificates.

(3) No officer or servant of a panchayat may, except with the previous permission of the authority to which he is immediately subordinate, seek an interview with any officer other than his immediate superior in respect of any matter affecting him personally as such officer or servant and no officer or servant of a panchayat may seek such an interview with a Minister or a Secretary to Government.

(4) Every application by an officer or servant of a panchayat for an appointment or for promotion shall be sent through the proper channel.

20. *Public demonstrations in honour of officers and servants of panchayat.*—(1) No officer or servant of a panchayat shall receive any complimentary or valedictory address, or attend any public meeting or entertainment held in his honour. There is, however, no objection to an officer or servant attending a farewell entertainment given to him by personal friends or by a club of which he is a member; but in accepting an invitation, the officer or servant shall make it clear that the function must be purely private and on no account assume the character of a public entertainment, that no address shall be presented to him and that no report of the proceedings shall be published in the public press.

(2) No officer or servant of any rank shall accept an entertainment from his subordinates.

21. No officer or servant of a panchayat shall be a member of any association, union or federation of officers and servants of panchayats if a person who is not an officer or servant of a panchayat is a member, office bearer or patron of such association, union or federation.

22. *Dicussion of the policy or action of Government.*—No officer or servant of a panchayat shall, by any utterance, writing or otherwise, discuss or criticise in public or at any meeting of any associations or body, any policy pursued or action taken by the Central Government or a State Government, a panchayat or a panchayat union council, or a municipal council, nor shall he in any manner participate in any such discussion or criticism :

Provided that nothing contained in this rule shall be deemed to prohibit—

(1) any officer or servant of a panchayat from participating in discussions at any private meeting solely of the officers and servants of panchayats or of any recognized association of their own, of matters which affect the personal interest of such officers or servants individually or generally; or

(2) any officer or servant of a pancayat from defending and explaining in public or private meetings any policy or action of the State Government, panchayat union council, panchayat or muicipal council for the purpose of removing misapprehensions and correcting mis-statements or for the purpose of effectively carrying out such policy.

*Explanation.*—Nothing contained in this rule shall be construed to limit or bridge the power of the State Government to require any officer or servant of a panchayat to publish and explain any policy or action of the Government in such manner as may appear to them to be expedient or necessary.

23. (1) *Application for private employment.*—No officer or servant of a panchayat shall apply for private employment or signify his willingness to accept such employment without having previously obtained the permission in writing of the executive authority.

(2) (*a*) Permission to apply for or accept private employment shall normally be granted to a person who is on leave preparatory to retirement, unless the employment is in a trading concern in India. Permission to apply for or accept private employment in a trading concern in India will be granted only in very exceptional cases and may be subject to the condition of immediate retirement of the officer or servant from the services of the panchayat concerned.

(b) Permission to apply for or accept private employment shall not be granted to any other officer or servant of the panchayat unless the executive authority is satisfied that his premature resignation may be accepted without detriment to the services of the panchayat.

(3) If a person who is refused permission to apply for or accept private employment wishes to resign his appointment under a panchayat, such resignation shall ordinarily be accepted.

(4) Where a person who is not on leave preparatory to retirement is permitted to apply for or accept private employment, he shall resign his appointment under the panchayat immediately on accepting such employment.

## APPENDIX A.

*Statement of immovable property and interest in immovable property possessed, acquired or transferred by during the year ending the 31st December 19 .*

NOTE.—Property in which the officer or servant had acquired an interest before the year for which the return is submitted and in which he retained an interest during that year should be shown first, then those properties regarding which transactions took place during the year.

1 Name of Officer or servant.

2 Office held.

3 Date of entertainment in service.

4 Nature of property, i.e.

(1) Houses (stating whether they are with or without gardens) and the uses to which they are put.

(2) Lands whether used for purposes of agriculture or as gardens or for any other purposes.

5 Whether acquired before or during 19

6 Whether relinquished during 19

Situation of land or other property:
- 7 Village.
- 8 Taluk.
- 9 District.

10 Survey number.

Extent and assessment of land:
- Dry
  - 11 Extent.
  - 12 Assessment.
- Wet
  - 13 Extent.
  - 14 Assessment.

15 Circar or inam
16 From whom acquired or in whose favour relinquished.
17 In whose name registered after acquisition or before relinquishment.
18 By what means and for what purpose acquired.
19 Year, month and day of deed.
20 Right possessed in the land.
21 Price paid or obtained for the land.
22 Remarks.

I, . . . . . , do solemnly declare that I do not at this time possess either in my own name or in that of any other person and that I have not during the year 19 , acquired or parted with any immovable property or any beneficial or other interests in immovable property other than what is entered in this return.

Station (Signature.)

Date. (Office.)

NOTE.—(1) The statement must be submitted punctually on the 15th January of each year.

(2) New acquisitions during the year to which the return relates should be entered in red ink.

(3) Particulars of any immovable property of which an officer may have become dispossessed during the year should also be entered in the annual return.

APPENDIX B.

*Statement of immovable property and interest in immovable Property held by officers and servants of Panchayats.*

1 Name of officer or servant.
2 Date of entertainment in service.
3 Office held.
4 District and division in which property is situated.

Particulars regarding property.
- 5 Nature of property.
- 6 Extent.
- 7 Assessment.
- 8 In whose name registered.

9 When acquired, inherited, etc.
10 By what means and for what purpose acquired.
11 Nature of interest possessed by the officer or servant concerned in such property.
12 Remarks.

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## NOTIFICATION No. 29.

In exercise of the powers conferred by section 59 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Appointment of common officer or servant for two or more Panchayats.*

1. The Collector may, when necessary, require two or more Panchayats to appoint the same officer or servant, not being an executive officer to exercise or discharge any powers or duties of a similar nature for both or all of them :

Provided that the Collector shall consult the Director of Public Health in respect of proposals relating to the public health establishment.

2. The panchayats concerned shall meet the salary and allowances payable to such officer or servant, together with contributions payable towards his leave salary or provident fund in such proportion and in such manner as may be laid down by the Collector with reference to the income of the panchayats, the outturn of work of such officer or servant, or any other data which the Collector may consider suitable for the purpose.

3. The Collector shall specify the executive authority of one of the panchayats concerned for the purpose of exercising the powers referred to in section 61 of the Madras Panchayats Act, 1958.

4. If the executive authority of any of the panchayats concerned is not satisfied with the exercise of the powers referred to in rule 3 by the executive authority specified under that rule, the executive authority first mentioned may refer the matter to the Collector whose decision on such reference shall be final.

## NOTIFICATION No. 30.

In exercise of the powers conferred by sub-section (1) of section 58 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Payment of arrear claims of Panchayat staff.*

1. (1) Any claim of an officer or servant of panchayat for arrears of pay, allowances or increments of pay which has been allowed to remain in abeyance shall, before payment, be investigated by the executive authority—

(i) with the sanction of panchayat in the case of claims relating to a period exceeding six months but not exceeding two years; and

(ii) with the sanction of the panchayat and of the Revenue Divisional Officer in the case of claims relating to a period exceeding two years.

(2) No claim for travelling allowance shall be entertained if it is made after three months from the date of completion of the journey to which it relates. Countersigning officers shall refuse to countersign bills presented after three months from the date of completion of the journey for which the travelling allowance is claimed.

2. The payment of an arrear claim ordered under rule 1 shall not exceed the amount found to be actually due under the claim in respect of a period of one year immediately preceding the date of detection of the under-payment. If, in any particular case, it is considered that for special reasons a larger concession should be granted, the executive authority shall consult the Examiner of Local Fund Accounts in the first instance and then obtain, if the Examiner of Local Fund Accounts so advises, the sanction of the Revenue Divisional Officer for payment of arrears for a period exceeding one year.

Provided that consultation with the Examiner of Local Fund Accounts shall not be necessary in respect of arrear claims involving a sum not exceeding rupees twenty-five in each case.

*Explanation.*—For the purpose of this rule, the date of detection of an under-payment shall be the date on which the under-payment is detected by or brought to the notice of the executive authority or, if it is first detected in audit, the date of detection by the Audit Department. An arrear claim resulting from an order issued with retrospective effect does not arise until the order is issued and shall not, therefore, be treated as a claim allowed to remain in abeyance during the period prior to the date of the order. An order passed with retrospective effect shall, for the purposes of this explanation be deemed to be one, which in the circumstances of the case, could not have been passed earlier or which was deliberately held over pending consideration.

3. The power conferred on the panchayat by rule 1 shall not be delegated by the panchayat. 1248 26-4-61

NOTIFICATION No. 31

In exercise of the powers conferred by sub-section (1) of section 58 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Grant of gratuties to officers and servants of Panchayats.*

1. In these rules, unless there is anything repugnant in the subject or context—

(i) 'last grade service' and 'superior service' mean service in the posts classified as last grade and superior respectively in Annexure I to these rules;

(iii) ' pay ' means the monthly substantive pay and includes personal pay; and

(iii )' servant ' means an officer or servant holding a post under a panchayat.

Gratuity under these rules shall be admissible in respect of any service whether permanent, temporary, substantive or officiating and inclusive of periods of absence on leave with allowances. Gratuity shall be admissible only for completed years of service. The executive authority of a panchayat may, in deserving cases, condone a deficiency not exceeding three months and the panchayat may, similarly condone a deficiency not exceeding twelve months.

3. No gratuity shall be admissible to a servant for any period of service in respect of which he is entitled to the benefits of a provident fund.

4. No gratuity under these rules shall be admissible to a servant whose service is pensionable apart from any gratuity which may be admissible to him under the pensionary scheme to which he has been admitted.

5. No gratuity shall be admissible to a servant who—

(*a*) is dismissed from the panchayat service, or

(*b*) is removed or called upon to resign on account of misconduct or inefficiency, or

(*c*) resigns of his own free will.

6. (1) No gratuity shall be admissible to a servant whose total service under a panchayat is less than five years.

(2) Gratuity shall be admissible to a servant for service prior to his admission to the benefits of the provident fund though such service is less than five years, provided that his total service is not less than five years. Gratuity shall be admissible to a servant even in respect of service which is discontinuous.

7. Gratuity may be paid to a servant in superior or last grade service—

(*a*) when he retires from service on superannuation or invalidation, or

(*b*) when he is discharged from service on account of reduction of staff or on account of some causes other than misconduct or inefficiency.

8. Subject to the provisions of rules 2 to 7 and 13 servants in superior service who have not been admitted to the benefits of a provident fund may be paid gratuity at the rate of half a month's

pay for each year of service subject to the restriction that gratuity should not exceed six months' pay if service is under fifteen years and fifteen months' pay if it is fifteen years or more.

Gratuity under this rule shall be calculated on the pay drawn at the time the gratuity becomes payable under rule 7.

9. Subject to the provisions of rules 2 to 7 and 12 servants in superior service who have only been admitted to the benefits of a provident fund in the course of their service may be paid gratuity at the rate of half a months' pay for each year of service before admission to the benefits of the provident fund in addition to any sums to which they may be entitled from the provident fund subject to the restriction that gratuity shall not exceed six months' pay if service before such admission is under fifteen years and fifteen months' pay if it is fifteen years or more.

Gratuity under this rule shall be calculated on the pay drawn immediately before admission to the provident fund.

10. Subject to the provisions of rules 2 to 7, 13 and the restrictions specified below, servants in last grade service who have not been admitted to the benefits of a provident fund may be paid gratuity at the rate of one months' pay for each year of service—

(*a*) No gratuity shall not be paid in respect of the first five years of service; and

(*b*) The gratuity shall not in any case exceed twenty months' pay.

Gratuity under this rule shall be calculated on the pay drawn at the time of gratuity becomes payable under rule 7.

11. Subject to the provisions of rules 2 to 7, 13 and the restrictions specified below, servants in last grade service who have only been admitted to the benefits of a provident fund in the course of their service may be paid gratuity at the rate of one months' pay for each year of service before admission to the benefits of the provident fund in addition to any sums to which they may be entitled from the provident fund—

(*a*) No gratuity shall be paid in respect of the first five years of service; and

(*b*) The gratuity shall not in any case exceed twenty months' pay.

Gratuity under this rule shall be calculated on the pay drawn immediately before admission to the provident fund.

12. Gratuity under these rules shall be granted by the panchayat, but no payment shall be made without obtaining the previous approval in writing of the Collector. The rates laid down in rules 8, 9, 10 and 11 shall be regarded as maximum and shall not be

sanctioned unless the service rendered was thorougnly satisfactory. In any case where the service was not throughly satisfactory, the panchayat shall make such reduction in the amount payable as it thinks proper.

13. In calculating the gratuity admissible to a servant in last grade service only service rendered by him after attaining the age of 16 years shall be taken into account, and in the case of a servant in superior service, only service rendered by him after attaining the age of 20 years shall be taken into account.

14. A servant, part of whose service has been last grade and part superior, may either count—

(*a*) the whole as *last grade* towards gratuity on the last grade scale; or

(*b*) the *superior* part towards gratuity on the *superior* scale and the *last grade* towards gratuity on the *last grade* scale.

Under clause (*a*), the gratuity shall be calculated on the pay (whether in superior or last grade service) which the servant drew at the time the gratuity becomes payable under rule 7 or immediately before admission to the provident fund, as the case may be.

Under clause (*b*) the gratuity on each scale shall be calculated on the pay which the servant drew at the time of transfer from last grade to superior service or from superior to last grade service and at the time the gratuity becomes payable under rule 7 or immediately before admission to the provident fund respectively. If a servant is reduced from superior service to last grade service for misconduct, no gratuity shall be paid to him under this rule, except with the special sanction of the Collector.

*Explanation.*—The gratuity for last grade service together with the gratuity for superior service shall not exceed the amount of gratuity that would be admissible, if the whole service were treated as superior service.

15. Where a servant dies in service his family may, if the panchayat is satisfied that it is in needy circumstances, be paid gratuity as though it had become payable under rule 7 on the date of his death.

*Explanation.*—For the purposes of this rule, ' family ' includes the servant's wife, his legitimate children which expression shall include an adopted son, step-children residing with and wholly dependent on him and also his parents, sisters and minor brothers if wholly dependent on and residing with him. If the servant has no family as defined above and if he is a subscriber to the provident fund, the gratuity, if any, payable to him may be paid to the nominee who receives the provident fund amount provided that the panchayat is satisfied that such nominee is in needy circumstances.

16. If a servant has rendered service under different local bodies, the service under the different local bodies shall be combined and treated as a whole for the calculation of the gratuity admissible under these rules. The liability for the payment of gratuity shall be apportioned between the different local bodies in the proportions in which the aggregate pay drawn by the servant during the whole of his qualifying service has been paid by them. If, on such apportionment, it is found that more than three-fourths of the amount of gratuity is payable by one local body, the local body shall bear the whole charge and no apportionment shall be made.

*Explanation.*—This rule shall not apply to cases of resignation from one local body to take up employment under another local body.

17. (1) (*a*) A servant who is eligible for a gratuity under these rules shall submit an application for the panchayat thereof to the head of his office.

(*b*) Where a servant dies in service or before submitting his application for gratuity, the application for gratuity shall be made by the person entitled to the gratuity under rule 15 or if such person is a minor or otherwise incapacitated, by the guardian of such person.

(*c*) Every application for the payment of gratuity shall be submitted within six months from the date on which a servant—

(i) retires;

(ii) is discharged from service; and

(iii) dies :

Provided that the Collector may sanction the entertainment of application for gratuity received after the expiration of such period if he is satisfied that there was reasonable cause for the delay.

(2) If the executive authority of the panchayat proposes to grant the gratuity applied for, he shall draw up an application for gratuity in the form in Annexure II to these rules.

18. No gratuity shall ordinarily be admissible to workers borne on regular establishment but not classified as belonging to the superior service or to the last grade service. If a panchayat, however, considers that the gratuity might be paid in deserving cases, such payments may be sanctioned subject to the following conditions, namely :—

(*a*) that the service of the worker under the panchayat is not less than twenty years;

(*b*) that the total amount of gratuity sanctioned does not exceed that admissible to last grade servants under the foregoing rules; and

(*c*) that the previous sanction of the Collector is obtained for.

## ANNEXURE. I.

[*See* rule 1 (i).]

| *Posts in superior service.* | *Posts in Last Grade Service.* |
|---|---|
| Avenue or Garden Superintendent. | |
| Attenders. | |
| Bill Collector. | |
| Birth and Death Registrars. | |
| Clerks. | |
| Clerk-*cum*-Bill Collectors. | |
| Cinema Operators and other skilled servants employed in Public Health Work. | |
| Fitters.* | |
| | Gardeners. |
| Health Visitors | |
| Licence Superintendents. | |
| Librarians. | |
| Lighting Superintendent or Inspector. | |
| Lorry Driver.* | |
| Mechanics. | |
| Market Superintendent or Supervisor, Sergeant. | |
| | Peons including Public Health peons. |
| Park Supervisor. | |
| Radio Operator. | |
| Registrar-Vaccinators. | |
| Revenue Inspectors. | |
| Sanitary Inspectors. | |
| Supervisor of Forests. | |
| Stockers. | |
| Store-keepers. | |
| | Turn cocks. |
| Town-Planning Supervisor. Vaccinators. | |
| Veterinary Surgeon or Inspector or Officer. | |
| Warrant Officer. | |

* When the pay or maximum pay exceeds Rs. 20 per mensem.

## ANNEXURE II.

[*See* rule 17 (2).]

*Application for gratuity.*

1 Name of applicant.

2 Father's name.

3 Race, sect and caste

4 Residence, showing village and district.

5 Present or last employment including name of establishment.

6 Date of beginning of service.

7 Date of ending of service.

8 Length of service, including interruption of which superior —
last grade.
non-qualifying and interruptions.

9 Class of gratuity applied for, and cause of application.*

10 (Average) emoluments or pay.

11 Proposed pension.

12 Proposed gratuity.

13 Date from which pension to commence.

14 Place of payment.

15 Date of applicant's birth by Christian Era.†

16 Height.

17 Marks.

18 Date.

Signature of the Executive Authority.

History of the Service (showing interruption ) of—

| Establishment. | Appointment. | Pay. | Acting pay. | Date of beginning. | Date of ending. | Period reckoned as services. |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| | | RS. NP. | RS. NP. | | | Y.M.D. |

| Period not reckoned as service. | Remarks. | How verified. | Remarks of the Examiner of Local Fund Accounts. |
|---|---|---|---|
| (8) | (9) | (10) | (11) |

Total period of Superior Last Grade. } Service.

*If the application is for a compensation, pension or gratuity the nature of the change of establishment which has given rise to the claim should be fully stated.

† If not known exactly, must be stated on the best information or estimate.

*Remarks of head office.*

1 As to character and past conduct of applicant.

2 Explanation of any suspension or degradation.

3 Regarding any gratuity or pension already received by applicant.

4 Any other remarks.

5 Specific opinion of head of office whether the service claimed is established and should be admitted or not.

*Certificate and report.*

Certified that (subject to the remarks recorded below) qualifying service in Superior/Last grades has been duly proved for years months days; and that a gratuity not exceeding Rs. , is admissible. The calculations have been duly verified.

Executive Authority.

*Application for gratuity.*

Date of application.

Name of applicant.

Last appointment.

Class of gratuity.

Amount of gratuity sanctioned.

Date of commencement.

Date of sanction.

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Executive Authority.

## CHAPTER III—FUNCTIONS AND POWERS.

### NOTIFICATION No. 32.

In exercise of the powers conferred by sub-section (2) of section 85, section 126, sub-section (1) and clause (xxii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

*Restrictions and control over execution of kudimaramat by Panchayats—Levy of fees by Panchayats.*

1. The Panchayat may levy an annual fee from all the registered holders of lands served by any irrigation work transferred to it for protection and maintenance, at such rate per acre as the Collector of the revenue district may, from time to time, determine.

The fee shall be levied at one flat rate per acre in the case of wet and dry lands irrigated from the irrigation work concerned, by direct flow, and at one half of such rate in the case of wet and dry lands irrigated from such work, by baling.

*Explanation.*—The fee shall be in addition to the wet or dry assessment and the water rate, if any, chargeable on the land.

2. The fee shall be collected by the panchayat thorough the village headman or any other person belonging to the staff of the Land Revenue Department having jurisdiction over the village or town or any part thereof and shall be administered and expended by the panchayat under the general or special orders of the Collector. The karnam shall furnish the demand account relating to the fee to enable the village headman to collect the amount. The village headman or any other person belonging to the staff of the Land Revenue Department shall be paid such remuneration, as may be determined by the Collector either by general or special order in this behalf under section 126 of the Madras Panchayats Act, 1958.

3. The fee shall on demand, be payable by the registered holder or any of the joint registered holders, as the case may be, and if not paid, may be recovered from such holder or any of such holders, as if it were an arrear of land revenue.

4. The proceeds of the fee shall be constituted into a separate fund and shall be spent at the discretion of the panchayat on the maintenance or repair of the irrigation work concerned and shall not be utilized for any other purpose.

5. Proper accounts shall be maintained by the panchayat for the transactions relating to the fund and the accounts audited by the auditor appointed by Government under sub-section (1) of section 141 of the Madras Panchayats Act, 1958.

6. The panchayat shall at all times allow the officers of the Public Works and Revenue Departments of the Government to inspect the irrigation work and all or any other works connected therewith.

7. The panchayat shall at all times allow facilities to any contractor who may be employed by the Public Works or Revenue Department of the Government to effect any repairs to the irrigation work or other works connected therewith.

### NOTIFICATION No. 33.

In exercise of the powers conferred by sub-sections (2), (4) and (5) of section 86 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

*Restrictions and control to regulate the use of porambokes in ryotwari tracts.*

1. No poramboke at the disposal of the Government the use of which is regulated by the panchayat shall be used for any purpose other than that for which it was originally intended except with the sanction of—

(1) the Collector, if it is a poramboke mentioned in sub-section (2) of section 86 of the Madras Panchayats Act, 1958; and

(2) the Government, if it is a poramboke mentioned in sub-section (4) of section 86 of the Madras Panchayats Act, 1958.

2. (1) If a panchayat considers that a poramboke mentioned in sub-section (2) of section 86 of the Madras Panchayats Act, 1958, is no longer required for the purpose for which it was originally intended and that it may be used for any other specified communal purpose, it shall cause a notice to be published in the town or village in which the land is situated specifying its survey number and the purpose for which it is required, and inviting objections to the proposal within a specified date which shall not be less than thirty days from the date of publication of the notice. The notice shall be published by beat of tom-tom and by affixing it in some conspicuous part of the building in which the office of the panchayat is located.

(2) After the date fixed for the receipt of objections, the panchayat shall forward its proposal together with the objections received thereon to the Collector for issue of such orders as may be deemed fit.

3. When a panchayat desires to regulate the use of a poramboke mentioned in sub-section (4) of section 86 of the Madras Panchayats Act, 1958, it may apply to the Collector with a copy of its resolution on the subject specifying (*a*) the survey number or numbers, the boundaries and the extent of the poramboke, (*b*) the purpose for which the poramboke is used, and (*c*) a list and description of the trees, if any, standing on it. The Collector shall, after satisfying himself that the poramboke is at the disposal of the Government and that the particulars specified in the resolution are correct, forward it with his remarks to the Board of Revenue; the Board shall then forward the papers to the Government with its recommendation.

4. The panchayat shall maintain a list of the porambokes (with details of survey numbers, boundaries, extent, the purpose for which each poramboke is used and the trees thereon) the use of which is regulated by it under sub-sections (2) and (4) of section 86 of the Madras Panchayats Act, 1958.

5. The panchayat shall permit the village headman, the karnam, or any inspecting officer of the Revenue Department to inspect at any time any poramboke, the use of which is regulated by it.

6. The panchayat may levy a fee for the use of any poramboke in accordance with the schedule of rates approved by the Collector.

7. The panchayat shall maintain threshing floors, cart-stands, cattle-stands and wurning and burial grounds in a sanitary condition, and shall carry out any directions issued by the District Health Officer in this behalf.

8. The panchayat shall take all measures to maintain the topes in good condition and to plant new trees in the place of wind-fallen, withered or dead trees.

9. The panchayat shall lease the topes subject to suitable conditions and enjoy the income from the usufruct of the trees in the topes.

10. The rules made under clause (xxxv) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958, shall apply to the leasing, cutting and planting of trees by the panchayat on any poramboke, the use of which is regulated by it.

11. The panchayat shall take steps to remove encroachments on any poramboke, the use of which is regulated by it under sub-section (4) of section 86 of the Madras Panchayats Act, 1958, and if the panchayat makes default in doing so, after three months from the date of detection of the encroachment, the Revenue Divisional Officer shall have the right to order the removal of such of those encroachments as are considered objectionable by him. An appeal shall lie against the order of the Revenue Divisional Officer, to the Collector and the decision of the Collector on such appeal as to whether or not an encroachment is objectionable, shall be final.

## NOTIFICATION No. 34.

In exercise of the powers conferred by section 87 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Regulation of the use by Panchayats of communal lands in estates—Restrictions and control.*

1. The rules framed under sub-section (2) of section 86 of the Madras Panchayats Act, 1958, shall apply *mutatis mutandis* to the regulation of the use of lands referred to in section 87 (1) (*a*) of the said Act.

2. In exercising the powers under section 87 (1) (*a*) of the Madras Panchayats Act, 1958, in respect of any land, the panchayat shall not do any act which would affect the reversionary right, if any, of the landholder to such land, and if the land is a town or village site, his right to assign as house-site any vacant portion of it not in the common use of the inhabitants for any lawful purpose.

3. If any question arises whether any land is or is not of the description mentioned in sub-clause (*b*) of clause (16) of section 3 of the Madras Estates Land Act, 1908, the panchayat shall not exercise its powers under section 87 (1) (*a*) of the Madras Panchayats Act, 1958, in respect of that land until that question is decided under section 20 of the Madras Estates Land Act, 1908.

4. Any action taken under section 87 (1) (*a*) of the Madras Panchayats Act, 1958, shall be subject to the control of the District Collector.

5. (1) If a panchayat, either *suo motu* or on a representation made by any of the persons residing within its limits, considers that any land set apart for any purpose referred to in sub-clause (*b*) of clause 16 of section 3 of Madras Estates Land Act, 1908, is no longer required for that purpose and that it should obtain the sanction of the District Collector to issue an order under section 87 (1) (*b*) of the Madras Panchayats Act, 1958, directing that it shall be used for any other specified communal purpose, it shall, by a notice to be published in the town or village in which the land is situated by beat of tom-tom and by affixture in the building in which the office of the panchayat is located, invite objections to the proposed order within a specified date which shall not be less than 30 days from the date of such publication of the notice. The notice shall also specify the time and date on which the objections will be heard. A copy of the notice shall be served on the landholder either in person or by registered post, acknowledgment due, giving 30 days time from the date of service to file objections.

(2) The date of hearing under sub-rule (1) shall be after fifteen days from the date on which the time allowed for filing objections expires.

(3) The panchayat shall hear all objections that may be received on or before the date fixed in sub-rule (1) and in doing so, give all reasonable opportunity to the petitioners to produce both oral and documentary evidence to prove their objections.

6. After the completion of the enquiry, if the panchayat decides that the objections might be overruled and that a direction under section 87 (1) (*b*) of the Madras Panchayats Act, 1958 is necessary, it shall record a finding to that effect giving full reasons therefor, and submit an application to the District Collector for his sanction to issue such a direction, along with (i) a copy of its findings, (ii) the records of enquiry including documents to prove the service and issue of notice referred to in sub-rule (1) of rule 5, and (iii) a certificate to the effect that it has taken into consideration all the other customary rights of the landholder or the ryots in the use of such land or portion and that it has satisfied itself that the exercise of such rights would otherwise be provided for adequately if such a direction is given.

7. On receipt of such an application, the District Collector may, after such enquiry as he deems fit, issue a declaration under clause (*a*) of sub-section (1) of section 20-A of the Madras Etates Land Act, 1908, that the land is no longer required for its original purpose, and permit the panchayat to issue an order under section 87 (1) (*b*) of the Madras Panchayats Act, 1958, directing that it shall be used for the purpose specified in the application. The panchayat thereupon issue such an order.

If the District Collector disagrees with the panchayat, he shall record his reasons for doing so and reject the application and communicate a copy of his order to the panchayat.

8. The rules framed under clause (xxxv) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958, shall apply *mutatis mutandis* to the regulation of the planting of trees on lands referred to in section 87 (1) (*a*) of the Madras Panchayats Act, 1958.

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**NOTIFICATION No. 35.**

In exercise of the powers conferred by section 106 and clause (xxiii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## Rules.

*Public halting places, cart-stands, etc.*

1. (1) When a panchayat proposes to provide a public halting place or cart-stand, it shall submit an application to the Revenue Divisional Officer. The application shall contain—

(*a*) the survey number, extent and classification of the land in which the panchayat proposes to provide the halting place or cart-stand, and shall be accompanied by a sketch indicating the position of the land with reference to the important roads and other lands in the neighbourhood, and

(*b*) any other particulars which the Revenue Divisional Officer may specifically require.

(2) Before according sanction, the Revenue Divisional Officer shall consult the Regional Transport Authority concerned in the case of stands intended solely or partly for motor vehicles and shall have due regard to its opinion.

(3) No panchayat shall close a public halting place or cart-stand (whether temporarily or permanently) without the previous sanction of the Revenue Divisional Officer.

2. (1) A road or road margin shall not ordinarily be declared as a public halting place or cart-stand :

Provided, however, that in special cases, the Revenue Divisional Officer in consultation with the authority in whom the road is vested, permit a panchayat to provide a halting place or cart-stand, if in his opinion, there is sufficient space available for road purpose, after making such provision.

(2) No panchayat shall declare the entire village or town to be a public halting place or cart-stand and collect fees therefor.

3. Where a panchayat has provided a public halting place or cart-stand, it may prohibit the use for the same purpose by any person, within half a mile thereof, of any public place or the sides of any public road :

Provided that nothing contained in this rule shall apply to any motor vehicle which is not a stage carriage within the meaning of the Motor Vehicles Act, 1939.

*Explanation.*—A public place or the sides of a public road shall not be deemed to be used as a public halting place or cart-stand, if a vehicle used for the carriage of passengers stops therein for a period not exceeding two minutes for the purpose of setting down or picking up passengers or their luggage, or if a vehicle used for the carriage of goods stops therein, only for the period required for the loading and unloading of goods.

4. When a panchayat provides a public halting place or cart-stand, it shall publish the fact in the village or town and in the District Gazette concerned with information as to the place where it is opened and the rates of fees payable for its use. A notice specifying the rates prescribed by the panchayat, the name of the person authorized to collect fees therein and the prohibited distance shall be put up on a notice board in a conspicuous place in such public halting place or cart-stand.

5. Fees for the use of a public halting place of cart-stand shall be levied at rates not exceeding the following :—

| | *Maximum rate per diem, if no amenities are provided.* | *Maximum rate per diem, if amenities are provided.* RS. NP. |
|---|---|---|
| (1) For every hand-drawn cart .. .. .. | 3 naye Paise per diem,. | 0 06 |
| (2) For every cart or vehicle drawn by one or more animals. | 5 naye Paise per diem. | 0 09 |
| (3) For every motor vehicle .. .. .. .. | 9 naye Paise per diem. | 0 13 |
| (4) For every horse, mule, bullock, bull, cow or buffaloe. | 3 naye Paise per diem. | 0 06 |

NOTE.—The amenities to be provided may be shelter for passengers, vehicles and animals drinking-water facilities, etc.

6. If the fee leviable under these rules read with clause (*a*) of section 106 of the Madras Panchayats Act, 1958, in respect of a vehicle or animal is not paid on demand, the person authorized to collect such fee may seize and detain such portion of the appurtenances or load of such vehicle or animal as will, in his opinion,

suffice to defray the amount due; in the absence of any such appurtenances or load or in the event of this value being insufficient to defary the amount due, he may seize and detain the vehicle or animal.

7. All property seized under rule 6 shall be sent within twenty-four hours, to the executive authority or to such person as he may have authorized to receive and sell such property and the executive authority shall forthwith give notice to the owner of the property seized, or, if the owner is not known, or is not resident within the village or town to the person who was in charge of the said property at the time when it was seized, or, if such person cannot be found, publish by beat of drum, that after the expiry of two days, exclusive of Sunday, from the date of service or publication of such notice, the property will be sold by public auction at a place to be specified in the notice.

8. If, at any time before the sale has begun, the amount due on account of the fee together with a sum of twenty-five naye Paise on account of charges incurred in connexion with the seizure and detention, is tendered to the executive authority or other person authorized as aforesaid, the property seized shall be forthwith released.

9. If no such tender is made, the property may be sold and the proceeds of the sale applied to the payment of—

(i) the amount due on account of the fee;

(ii) such penalty not exceeding the amount of the fee as the executive authority may direct; and

(iii) a sum of fifty naye Paise on account of charges incurred in connexion with the seizure, detention and sale.

The surplus if any shall be paid to the owner of the property or to the person who was in charge of the property at the time when it was seized.

## NOTIFICATION No. 36.

In exercise of the powers conferred by sub-section (1) of section 110 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Governor of Madras hereby makes the following rule:—

### Rule.

*Authority for numbering of buildings.*

The prescribed authority for the purposes of sub-section (1) of section 110 of the Madras Panchayats Act, 1958, shall be—

(i) the executive authority of the panchayat concerned, in respect of an area for which a panchayat has been constituted; and

(ii) the Deputy Tahsildar or Tahsildar having jurisdiction, in an area for which a panchayat has not been constituted.

NOTIFICATION No. 37.

In exercise of the powers conferred by clause (ii) of sub-section (2) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Prescribed authority for purposes of clause (ii) of sub-section (2) of section* 111.

The prescribed authority for purposes of clause (ii) of sub-section (2) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), shall be the Revenue Divisional Officer in the case of town panchayats.

NOTIFICATION No. 38.

In exercise of the powers conferred by clause (xxxi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Provision of burial and burning grounds, etc.*

1. A panchayat may, and shall if no sufficient provision exists, provide at its cost, places to be used as burial or burning-grounds or crematoria and may charge rents and fees for the use thereof.

2. (1) Every owner or person having the control of any place used as a place for burying, burning or otherwise disposing of the dead shall, if such place be not already registered under the Madras Village Panchayats Act, 1950, or under the Madras District Boards Act, 1920, apply to the panchayat to have such place registered.

(2) If it appears to the panchayats that there is no owner or person having the control of such place, the panchayat shall assume such control and register such place or may, with the sanction of the Revenue Divisional Officer, close it.

3. (1) No new place for the disposal of the dead, whether private or public, shall be opened, formed, constructed or used, unless a licence has been obtained from the panchayat on application.

(2) Such application for a licence shall be accompanied by a plan of the place to be licensed showing the locality, boundary and extent thereof, the name of the owner or person or community interested therein, the system of management and such further particulars as the panchayat may require.

(3) The panchayat to which an application is made may—

(*a*) grant or refuse a licence, or

(*b*) postpone the grant of a licence until objections to the site have been removed or any particulars called for by it have been furnished.

(4) The Revenue Divisional Officer may cancel or modify any order passed by a panchayat under sub-rule (3).

4. (1) A book shall be kept at the office of every panchayat in which places provided, registered or licensed under rules 1 to 3 and all such places provided, registered or licensed before the commencement of the Madras Panchayats Act, 1958, shall be recorded.

(2) A notice in English and in Tamil that such place has been provided, registered or licensed as aforesaid shall be affixed to some conspicuous place at or near the entrance to the burial or burning-ground or other place as aforesaid.

5. No person shall bury, burn or otherwise dispose of, or cause or suffer to be buried, burnt or otherwise disposed of, any corpse in any place within a hundred yards of a dwelling-place or source of drinking water-supply other than a place provided, registered or licensed as aforesaid.

6. The person having control of a place for disposing of the dead shall give information of every burial, burning or other disposal of a corpse at such a place, to any person appointed by the panchayat.

7. (1) If a panchayat is satisfied—

(*a*) that any registered or licensed place for the disposal of the dead is in such a state or situation as to be, or to be likely to become, dangerous to the health of persons living in the neighbourhood thereof, or

(*b*) that any burial ground is overcrowded with graves, and if in the case of a public burial or burning-ground or other place as aforesaid, another convenient place duly authorized for the disposal of the dead exists or has been provided for the persons who would ordinarily make use of such place, it may, with the previous sanction of the Revenue Divisional Officer give notice that it shall not be lawful after the expiry of a period of not less than two months to be named in such notice, to bury, burn or otherwise dispose of any cropse at such place.

(2) Every notice given under sub-rule (1) shall be published by affixture to the notice board of the panchayat and in the village or town by beat of drum.

(3) No person shall, in contravention of any notice under sub-rule (1) and after the expiration of the period named in such notice, bury, burn or otherwise dispose of, or cause or permit to be buried, burnt or otherwise disposed of, any corpse at such place.

(4) The Collector may cancel or modify any notice issued by a panchayat under sub-rule (1).

8. Whoever contravenes any of the provisions of rules 2 (1), 3 (1), 5, 6 and 7 (3) shall be punishable with fine which may extend to one hundred rupees:

Provided that no prosecution shall be instituted for contravening the provisions of rule 5, without the written sanction of the executive authority of the panchayat.

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NOTIFICATION No. 39.

In exercise of the powers conferred by section 109 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules:—

RULES.

*Prohibition or regulation of the use of places for slaughtering animals and the licensing of slaughterers.*

1. No person shall, without the written permission of the executive authority or otherwise than in conformity with such written permission, slaughter, cut up or skin, or permit to be slaughtered, cut up or skinner any cattle, horse, sheep, goat or pig in any place in the village or town other than a public slaughter-house, if any, provided by the panchayat:

Provided that the executive authority may allow any animal to be slaughtered in such places other than temples or their precincts within the village or town as he thinks fit on occasions of festivals and ceremonies or as a special measure:

Provided further that nothing contained in this rule shall be deemed to prohibit the slaughter of animals for private use but not for sale.

2. No person shall, without a licence from the executive authority or otherwise than in conformity with such licence, slaughter or permit to be slaughtered within the village or town any cattle, horse, goat or pig for purposes of sale to the public.

Provided that the executive authority may authorize any person to slaughter any animal without a licence and without the payment of any fee, for the purpose of a religious ceremony in a place other than a temple or its precincts.

3. The provisions of the foregoing rules shall not apply to places used by the Central or the State Government for the purposes mentioned in these rules.

4. The panchayat shall see that all animals slaughtered at the slaughter-house provided by it are certified at the time of slaughter as free from contagious diseases, by a qualified Veterinary Assistant Surgeon who is either employed by itself to superintend the slaughter-houses or employed in a Government Veterinary Institution near its jurisdiction and whose services are requisitioned by it for the purpose. The Veterinary Assistant Surgeon so employed shall examine the carcasses of the animals slaughtered and certify as to their fitness for human consumption. The panchayat which employs a qualified Veterinary Assistant Surgeon for the purpose aforesaid, shall without any outside sanction pay to the Veterinary Surgeon so employed, a remuneration at a rate not exceeding that which is fixed by the Government from time to time, in this behalf :

Provided that if the panchayat is unable to secure the services of a qualified Veterinary Assistant Surgeon or to pay for such services, the Sanitary Inspector of the Panchayat shall at the time of slaughter certify all animals slaughtered at the slaughter-house provided by the panchayat as free from contagious diseases, and also examine the carcasses of the animals slaughtered and certify as to their fitness for human consumption.

5. Nothing contained in these rules shall be deemed to affect the operation of the provisions of the Madras Animals and Birds Sacrifices Prohibition Act, 1950 (Madras Act XXXII of 1950) or of the Madras Animal Preservation Act, 1958 (Madras Act X of 1958). 1248 - 26.4.61

## CHAPTER IV—TAXATION AND FINANCE.

### NOTIFICATION No. 40.

In exercise of the powers conferred by sub-sections (1) and (4) of sections 120 and 125 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

### I. *House-tax.*

1. *Exemption of specified classes of houses from house-tax.*—The following buildings shall, if they fall within the definition of "house" under the Act, be exempt from the house-tax :—

(a) buildings set apart for public worship and either actually so used or used for no other purpose;

(b) choultries for the occupation of which no rent is charged and choultries the rent charges for the occupation of which is used exclusively for charitable purposes;

(c) buildings used for educational purposes including hostels and for libraries which are open to the public and public buildings used for the charitable purpose of sheltering the destitute or animals;

(d) such ancient monuments protected under the Ancient Monuments Preservation Act, 1904, or parts thereof, as are not used as residential quarters or as public offices;

(e) charitable hospitals and dispensaries and other buildings exclusively used for charitable purposes;

(f) such hospitals and dispensaries maintained by railway administrations as may from time to time be notified by the Government;

(g) buildings belonging to the panchayat; and

(h) lighthouses;

Provided that nothing contained in clauses (a), (c) and (e) shall be deemed to exempt from house-tax any building for which rent is payable by the person or persons using the same for the purposes referred to in the said clauses.

*Explanation.*—The exemption granted under this rule shall not extend to residential quarters attached to schools and colleges not being hostels or to residential quarters attached to hospitals, dispensaries and libraries.

2. *Manner of ascertaining the annual or capital value of houses.*—(1) For purposes of assessment to house-tax, the capital value of a house shall be deemed to be the total of the estimated value of the land and the estimated present cost of erecting the house after deducting for depreciation a reasonable amount which shall in no case be less than ten per centum of such cost.

Machinery and furniture shall be excluded from valuations under this sub-rule.

(a) The annual value of a house shall be deemed to be the gross annual rent at which the house may reasonably be expected to let from month to month, or from year to year, less a deduction of ten per centum of such annual rent and the said deduction shall be in lieu of allowances for repairs or on any other account whatever.

(b) In the case of—

(i) any Government or railway building falling within the definition of "house" under the Madras Panchayats Act, 1958, or

(ii) any building falling within the definition aforesaid, of a class not ordinarily let, the gross annual rent of which cannot, in the opinion of the executive authority, be estimated, the annual value shall be deemed to be six per cent of its capital value.

3. *Persons liable to pay house-tax.*—(1) The house-tax, shall be paid by the owner of the house within thirty days after the commencement of the half-year.

(2) If the owner of a house fails to pay the whole or any part of the house-tax due thereon within fifteen days from the date of service of the notice, the executive authority may, if the said tax has not remained unpaid for more than twelve months, require the occupier for the time being of such house to pay the amount within a specified period, not being less than fifteen days.

4. *Obligation of transferor and transferee to give notice of transfer.*—(1) Whenever the title of any person, primarily liable to the payment of house-tax in any house, to or over such house is transferred shall, within three months after the execution of the instrument of transfer or after its registration if it be registered, or after the transfer effected if no instrument be executed, give notice of such transfer to the executive authority.

(2) In the event of the death of any person primarily liable as aforesaid, the person to whom the title of the deceased is transferred, as heir or otherwise, shall give written notice of such transfer to the executive authoity within one year from the death of the deceased.

(3) The notice to be given under this rule shall be in such form as the executive authority may direct and the transferee or the person to whom the title possess as the case may be shall, if so required, be bound to produce before the executive authority any documents evidencing the transfer or succession.

(4) Every person who makes a transfer as aforesaid without giving such notice to the executive authority shall, in addition to any other liability which he incurs through such neglect, continue liable for the payment of house-tax assessed on the house transferred until he gives notice or until the transfer shall have been recorded in the panchayat registers, but nothing in this rule shall be held to affect the liability of the transferee for the payment of the said tax.

5. *Vacancy remission.*—(1) When any house has been vacant sixty or more consecutive days, in any half-year, the executive authority shall remit so much, not exceeding one-half of the amount of the tax, as is proportionate to the number of days during which the house was vacant in the half-year.

(2) Every demand for remission under sub-rule (1) shall be made during the half-year in respect of which the remission is sought or in the following half-year and not afterwards.

(3) (*a*) No demand for such remission shall be entertained unless the owner of the house or his agent has previously thereto given notice to the executive authority of the house being vacant and the period in respect of which the remission is made shall be calculated from the date of delivery of such notice.

(*b*) Every such notice shall expire with the half-year during which it is so delivered and shall have no effect thereafter.

6. *Owner's obligation to give notice of construction, re-construction or demolition of buildings.*—(1) (*a*) If any house in a village or town is constructed or re-constructed, the owner shall give notice thereof to the executive authority within fifteen days from the date of completion or occupation of the house, whichever is earlier.

(*b*) If such date falls within the last two months of a half-year, the owner shall, subject to notice being given under clause (*a*), be entitled to a remission of the whole of the tax or enhanced tax, as the case may be, payable in respect of the house for that half-year.

(*c*) If such date falls within the first four months of a half-year, the owner shall, subject to notice being given under clause (*a*), be entitled to a remission of so much not exceeding a half of the tax or enhanced tax as the case may be, payable in respect of the house for that half-year as is proportionate to the number of days in that half-year preceding such date.

(2) Any owner who commits a breach of the provisions of clause (*o*) of sub-rule (1) shall be punishable with fine which may extend to fifty rupees.

(3) (*a*) If any house in a village or town is demolished or destroyed, the owner shall, until notice thereof is given to the executive authority, be liable at his discretion for the payment of the tax which would have been payable had the house not been demolished or destroyed.

(*b*) If such notice is given within the first two months of a half-year, the owner shall be entitled to a rmission of the whole of the tax payable in respect of the house for that half-year.

(*c*) If such notice is given within the last four months of a half-year, the owner shall be entitled to a remission of so much not exceeding a half of the tax payable in respect of the house for that half-year as is proportionate to the number of days in that half-year succeeding the demolition or destruction as the case may be.

7. *Remission of tax in areas included or excluded in the middle of a half-year.*—(1) If any area is included within a village or town, the owner of every house in such area shall—

(*a*) if the date of such inclusion falls within the last two months of a half-year, not be liable to pay any house-tax in respect thereof for that half-year; and

(*b*) if such date falls within the first four months of a half-year, be entitled to a remission of so much not exceeding a half of the house-tax payable in respect thereof for that half-year, as is proportionate to the number of days in that half-year preceding such date.

(2) If any area is excluded from a village or town the owner of every house in such area shall be entitled—

(*a*) if the date of such exclusion falls within the first two months of a half-year, to a remission of the whole of the house-tax payable in respect thereof for that half-year; and

(*b*) if such date falls within the last four months of a half-year to a remission of so much not exceeding half of the house-tax payable in respect thereof for that half-year as is proportionate to the number of days in that half-year succeeding such date.

(3) No remission shall be granted under sub-rule (2) in respect of any house unless an application for such remission is made to the executive authority within three months from the date of the exclusion of the area in which the house is situated.

## *II. Transfer of registry of ownership of houses.*

1. In effecting changes in the ownership of properties in the assessment books on the application of any party, whether at a general revision or between one general revision and another, the executive authority shall observe the following provisions, namely :—

(1) *Transfers by voluntary action of owners.*—In all cases of absolute transfer of title, the registry of properties may be altered to correspond with the transfer of its ownership on the application of both the parties to the transfer or either of them, provided that the application for change of registry is in every case made in writing and is signed by the party or parties making it. It may be sent by post or presented in person or by duly authorized, agent, or through an officer of the Registration Department. Where such an application is presented by both the parties and one of them is the registered owner, change of registry as requested may be ordered at once. But where only one of the parties to the transfer makes the application, notice shall be served on the other party. Where the registered owner is not a party to the transaction, notice shall also be issued to him whether the application for transfer of registry is presented by both the parties or one of them. If the registered owner objects to the proposed transfer no change shall be made unless the person who claims to be the owner produces satisfactory legal evidence. Where only one party to the transaction applies and the other either objects or is silent, the parties should be connected by a complete chain of documents. When the chain is not complete, it should be filled in by other evidence, such as statements of respectable persons and tax receipts. A month's time shall be allowed for filing objections and if any objection is made, an enquiry shall be held and unless the objection is found to be valid, transfer of registry shall be made.

(2) *Transfers to decree-holders.*—In cases of transfers of title of properties in the name of decree-holders with reference to a decree of a civil court or of purchasers in auction sales held in execution of a civil court decree, change of registry may be made at once on the application of any of the parties to the suit or of the auction-purchasers and on the production of an authenticated copy of the decree or a certificate of sale, as the case may be, and a certificate of delivery of possession in pursuance thereof, provided the transfer is from the registered owner. When the transfer is from a person who is not the registered owner, notice shall be given to the registered owner in the manner provided in sub-rule (1) before a change of registry is made. Where, however, a certificate of delivery of possession cannot be produced, as for instance, where on decree passed possession is ceded without execution proceedings and the decree is apparently final, the case shall be dealt with as provided in sub-rule (1) in regard to application for change of registry presented only by one of the parties of the transfer.

(3) *Transfers under declaratory decrees.*—In cases where transfer of registry is sought under a declaratory decree on which no execution can be taken out, i.e., where the decree merely declares the title to be vested in a particular person, so as to entitle him to registration the executive authority may, on the production of any authenticated copy of such decree, at once make the transfer of registry.

(4) *Transfers which accrue by succession.*—The executive authority may on satisfactory proof order trasfer of registry in the case of transfers which accrue by succession.

2. There shall be an appeal to the panchayat against the orders of the executive authority making or refusing to make a transfer of registry. Such appeals shall be presented within thirty days after the date of receipt of the order appealed against.

## NOTIFICATION No. 41.

In exercise of the powers conferred by the proviso to sub-section (1) of section 120 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Levy of house-tax on basis other than annual or capital value.*

1. When a panchayat has sanctioned the levy of the house-tax such levy shall take effect from a future date which may be the first day of April or first day of October of that year. In any year after the levy has taken effect, no proposal to alter the rates of the tax or the date from which it should be levied shall, so far as that year is concerned, be taken into consideration by the panchayat, except with the special sanction of the Revenue Divisional Officer or on a direction issued by him.

2. With the previous sanction of the Revenue Divisional Officer, a panchayat may, in lieu of levying the house-tax on the basis of the capital or annual value of houses, levy it on the basis of their plinth area and their classification as (i) terraced, (ii) partly terraced and partly tiled or thatched, (iii) tiled, (iv) partly tiled and partly thatched, and (v) thatched.

3. (1) The plinth area of houses shall, for the purpose of Schedule I to the Madras Panchayats Act, 1958, be determined by the Survey Department in future panchayat surveys.

(2) In the absence of such survey the plinth area shall be determined—

(*a*) by the karnam in village or towns where the number of houses does not exceed three hundred, the karnam being paid from the panchayat fund a remuneration at the rate of thirteen naye Paise for each house; and

(*b*) by a revenue inspector specially employed for the purpose, in villages or towns where the number of houses exceeds three hundred, the cost of the establishment being met from the panchayat fund.

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NOTIFICATION No. 42.

In exercise of the powers conferred by sub-sections (1) and (2) of section 121 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Profession-tax—Levy and maximum and minimum rates.*

1. (1) The classes into which companies and persons shall, for the purposes of assessment to the profession-tax, be divided and the maximum and minimum half-yearly tax leviable on each class shall be as follows :—

| *Class.* | *Half-yearly income.* | *Maximum half-yearly tax.* | *Minimum half-yearly tax.* |
|---|---|---|---|
| | | RS. NP. | RS. NP. |
| I | More than Rs. 15,000 | 125·00 | 100·00 |
| II | More than Rs. 12,000 but not more than Rs. 15,000 | 100·00 | 75·00 |
| III | More than Rs. 9,000 but not more than Rs. 12,000 | 75·00 | 50·00 |
| IV | More than Rs. 6,000 but not more than Rs. 9,000 | 50·00 | 25·00 |
| V | More than Rs. 4,800 but not more than Rs. 6,000 | 25·00 | 12·00 |
| VI | More than Rs. 3,000 but not more than Rs. 4,800 | 12·00 | 6·00 |
| VII | More than Rs. 1,800 but not more than Rs. 3,000 | 6·00 | 4·00 |
| VIII | More than Rs. 1,200 but not more than Rs. 1,800 | 4·00 | 2·00 |
| IX | More than Rs. 600 but not more than Rs. 1,200 | 2·00 | 1·00 |
| X | More than Rs. 300 but not more than Rs. 600 | 1·00 | 0·50 |

(2) The panchayat shall determine the tax leviable on each class subject to the maximum and minimum specified in sub-rule (1) :

Provided that the proportion which the tax on any class bears to the minimum income of that class shall in no case be smaller than the proportion which the tax on any lower class bears to the minimum income of such lower class.

(3) The panchayat may exempt any one or more of the classes in sub-rule (1) from liability to profession-tax, but no class shall be exempted from liability when any lower class is liable to tax.

2. A company or person shall be deemed to have transacted business or exercised a profession, art, or calling or held an appointment within a village or town if such company or person has an office or place of employment within such village or town.

3. (1) Where a company or person transacts any business other than money-lending in any half-year exclusively in the area of a single panchayat, the income of such company or person from the transaction of such business shall, for the purpose of levying profession-tax under the Madras Panchayats Act, 1958, during the half-year, be deemed to be—

(*a*) where income-tax is assesed on such company or person under the Indian Income-tax Act, 1922, for the year comprising the half-year, one half of the amount at which the profits and gains of such business are computed under section 10 of the Indian Income-tax Act, 1922, for the purpose of assessing the income-tax; and

(*b*) where the amount of the said profits and gains is not ascertainable, or where such company or person is not assessed to income-tax, such percentage or percentages, calculated with reference to rule 4, of the turnover of such business transacted in the area of the panchayat during the half-year or where this is also unascertainable, during the corresponding half-year of the previous year.

(2) Where a company or person transacts any business other than money-lending partly in the area of panchayat and partly outside such area, the income of such company or person from the transaction of such business in the area of the panchayat shall, for the purpose of levying profession-tax under the Madras Panchayats Act, 1958, be deemed to be the percentage, calculated with reference to rule 4, of the turnover of such business transacted in such area during the half-year or the corresponding half-year of the previous year as the case may be.

(3) For the purpose of clause (*b*) of sub-rule (1) and sub-rule (2), the turnover of business in any village or town means the aggregate money value of the goods produced, manufactured, purchased or sold or of any other business except money-lending transacted in such village or town.

*Explanation.*—In determining the turnover of business under this sub-rule—

(a) where the delivery of any goods on account of any purchase made by any company or person and the delivery on account of the sale thereof by the same company or person are both effected in the State of Madras, only the latter transaction shall be taken into account;

(b) where the delivery of any goods on account of any purchase made by any company or person is effected in any place outside the said State and the delivery on account of the sale thereof by the same company or person is effected in any place in the said State, the latter transaction shall be taken into account; and

(c) where the delivery of any goods on account of any purchase made by any company or person is effected in any place in the said State and the delivery on account of the sale thereof by the same company or person is effected in any place outside the said State, the former transaction shall be taken into account.

4. For the purpose of calculating the income for levying profession-tax, the percentage of turnover of business under clause (b) of sub-rule (1) and sub-rule (2) of rule 3 shall be as specified in columns (1) and (2) of the following table :

Provided that, if any case, the income so calculated is less than the minimum sum specified in column (3) of the said table, the percentage shall be enhanced to such a rate as would yield such minimum sum.

TABLE.

| | *Percentage.* | *Minimum.* |
|---|---|---|
| (1) | (2) | (3) |
| Where the turnover of business exceeds 12 lakhs of rupees .. | 1 | 18,000 |
| Where the turnover of business exceeds 6 lakhs of rupees but does not exceed 12 lakhs of rupees. | 1·5 | 12,000 |
| Where the turnover of business exceeds 3 lakhs of rupees but does not exceed 6 lakhs of rupees. | 2 | 9,00 |
| Where the turnover of business exceeds 1,50,000 rupees but does not exceed 3 lakhs of rupees. | 3 | 6,000 |
| Where the turnover of business does not exceed 1,50,000 rupees. | 4 | .. |

5. (1) If, in the opinion of the executive authority, profession-tax is or will be due from any company or person for any half-year, he shall serve a notice on such company or person either in that half-year or in the succeeding half-year requiring the company or person to furnish within such period, not being less than thirty days as may be specified in the notice, a return in the form given in the schedule to these rules showing the income on the basis of which, according to such company or person, it or he is liable to be assessed

to profession-tax for the half-year in question. Thereupon it shall be open to such company or person to submit a return showing the income derived by it or him during the half-year for which profession-tax is claimed or for the corresponding half-year of the previous year and produce any evidence on which the company or person may rely in support of the return made.

(2) If a return is made as required under sub-rule (1) and the executive authority is satisfied that it is correct and complete, he shall levy the profession-tax from such company or person on the basis of such return.

*Explanation.*—In the cases not falling under clause (*b*) of sub-rule (2) of rule 3, if the company or person produces the notice of demand of income-tax served on it or him under section 29 of the Indian Income-tax Act, 1922, for the year comprising the half-year in question, the executive authority shall be bound to take one-half of the income mentioned in such notice of demand as the income derived from the sources on which profession-tax is leviable under the Madras Panchayats Act, 1958, as the income on the said sources for the purposes of levying profession-tax.

(3) If no return is made as required under sub-rule (1) or if the executive authority is satisfied that any return so made is incorrect or incomplete, the executive authority shall assign to the company or person the class in the scale appropriate to the half-yearly income of such company or person as estimated by him.

(4) The executive authority, may when classifying any company or person under sub-rule (3), do so on general considerations with reference to the nature and reputed value of the business transacted, the size and rental of residential and business premises, the quantity and number of articles dealt with, the number of persons employed and the income-tax paid.

(5) The executive authority shall not be entitled to call for the accounts of any company or person.

(6) If the profession-tax due from any company or person is not paid, the executive authority of the panchayat shall cause a notice to be served on such company or person to pay it within fifteen days of the date of such service.

(7) All statements made, returns furnished or accounts or documents produced in connection with the assessment of profession-tax by any company or person shall be treated as confidential and copies thereof shall not be granted to the public.

(8) The executive authority of the panchayat may by notice require the owner or occupier of any building or land and every secretary or manager of a hotel, boarding or lodging house, club or residential chambers to furnish within a specified time a list in writing containing the names of all persons occupying such

building, land, hotel, boarding or lodging house, club or residential chambers and specifying the profession, art or calling of every such person and the rent, if any, paid by him and the period of such occupation.

## SCHEDULE.

*Return of income for assessments to profession-tax during the half-year ending.*

[*Vide* rule 5 (1).]

(1) Name of the company or person.

(2) Description of business, profession, art or calling or appointment.

(3) *Income derived by the assessee during the half-year or the corresponding half-year of the previous year, from the exercise of any profession, art or calling, or from holding any appointment, public or private, or from money-lending business—*

(*a*) within the village or town for not less than sixty days in the aggregate during the half-year;

(*b*) without the village or town if the assessee has resided within the village or town for not less than sixty days in the aggregate during the half-year.

(4) *Where business other than money-lending is transacted exclusively within the village or town—*

(*a*) Where income-tax has been assessed on the company or person for the year comprising the half-year the amount at which the profits and gains of such company or person were computed under section 10 of the Indian Income-tax Act, 1922, for the purpose of assessing such income-tax;

(*b*) where the said profits and gains are not ascertainable or where income-tax has not been assessed for the year corresponding to the half-year—

(i) the turnover of the business transacted within the village or town during the half-year, or

(ii) where such turnover is not ascertainable, the turnover of the business during the corresponding half-year of the previous year.

(5) *Where business other than money-lending is transacted by the company or person partly in the village or town and partly outside such village or town—*

(*a*) the turnover of business transacted in the village or town during the half-year, or

(*b*) where such turnover is not ascertainable, the turnover of business in the village or town during the corresponding half-year of the previous year.

(6) Income derived by the assessee—

(a) from the business transacted outside the village or town; and

(b) from any pension or investments during the half-year, if the assessee has resided within the village or town for not less than sixty days in the aggregate during the half-year.

(7) The aggregate income on the basis of which according to the company or person it or he is liable to be assessed.

## NOTIFICATION No. 43.

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In exercise of the powers conferred by section 122 of the Madras 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following ruls :—

### RULES.

*Vehicle tax—Exemption and maximum and minimum rates of levy.*

1. The vehicle tax under section 119, sub-section (1) of the Madras Panchayats Act, 1958, shall not be levied on—

(a) vehicles belonging to the Central or State Government and used for military purposes;

(b) vehicles kept solely for sale by vehicle makers and dealers;

(c) vehicles which have been under repair or standing at a vehicle-maker's during the whole of the half-year.

2. The vehicle tax shall be levied at rates not exceeding the rates in column (2) and not less than the rates in column (3) of the table below :—

*Table.*

| *Description of vehicle.* | *Maximum half-yearly tax.* | *Minimum half-yearly tax.* |
|---|---|---|
| (1) | (2) | (3) |
| | RS. NP. | RS. NP. |
| (a) For every four-wheeled vehicle with springs or other appliances acting as springs constructed to be drawn by one or more animals. | 10 00 | 5 00 |
| (b) For every two-wheeled vehicle with springs or other appliances acting as springs constructed to be drawn by one or more animals. | 5 00 | 1 50 |
| (c) For every bicycle or tricycle .. .. .. .. | 2 00 | 1 00 |
| (d) For every other vehicle with springs or other appliances acting as springs not being a child's perambulator or go cart. | 3 00 | 1 50 |
| (e) For every cart or other vehicle without springs or other appliances acting as springs [not falling under items (a) to (d)]. | 4 00 | 1 50 |

3. (1) Every person having possession, custody or control of any taxable vehicle shall be liable for the full half-yearly tax if the vehicle has been kept or used within the village or town for a period of not less than sixty days in the half-year.

(2) If such aggregate period exceeds fifteen days but is less than sixty days, a moiety only of the half-yearly tax shall be leviable.

(3) If such aggregate period does not exceed fifteen days, no tax shall be leviable for the half-year.

(4) Every person having possession, custody or control of any taxable vehicle within the village or town shall, until the contrary is shown, be presumed to have kept or used the same within the village or town or sixty days in the half-year.

(5) Notwithstanding anything contained in sub-rules (1) and (2), no person shall be liable—

(*a*) to pay tax to the panchayat during any half-year on account of any vehicle in respect of which the full tax for the same half-year has already been paid to the panchayat by some other person; or

(*b*) to pay to the panchayat on account of any vehicle in respect of which tax has already been paid to any panchayat, township committee, municipal council or cantonment authority in the State of Madras more than the excess, if any, of the tax payable in the village or town in respect of such vehicle over the tax already paid to the other panchayat, township committee, municipal council or cantonment authority in the State of Madras as the case may be.

4. If within the half-year, a person replaces any vehicle by another vehicle falling under the same description in the table given in rule 2, the said person, in case the replacement was due to the destruction of the vehicle and if he had possession, custody or control of the vehicle so replaced at the time of its destruction, shall not be liable to more than one payment of tax and the amount of such payment of tax shall be regulated by the aggregate number of days for which the vehicle which has been destroyed and the vehicle replacing such vehicle have been kept or used during the half-year.

5. With the sanction of the panchayat or in accordance with the regulations framed by that body, the executive authority may compound, for any period, not exceeding one year, with any livery-stable keeper or other person keeping vehicles for sale or hire, for a certain sum to be paid in lieu of the vehicle tax.

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NOTIFICATION No. 44.

In exercise of the powers conferred by sub-section (4) of section 124 of the Madras Panchayats Act, 1958 Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Duty on transfers of property.*

1. *Short title.*—These rules may be called the Madras Panchayats (Duty on Transfers of Property) Rules, 1961.

2. *Definitions.*—In these rules unless there is anything repugnant in the subject or context—

(1) ' Act ' means the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958);

(2) ' instrument ' means an instrument of sale, exchange, gift, mortgage with possession or lease in perpetuity of immovable property on which transfer duty is leviable under section 124;

(3) ' section ' means a section of the Act;

(4) ' Stamp Act ' means the Indian Stamp Act, 1899 (Central Act II of 1899), as in force in the State of Madras;

(5) ' transfer duty ' means the duty on transfers of property leviable under section 124; and

(6) all words and expressions not defined in these rules shall have the meanings respectively assigned to them by the Stamp Act and the rules thereunder.

3. *Provisions of the Stamp Act to apply to transfer duty.*—(1) All the provisions of the Stamp Act and the rules made thereunder shall, so far as may be, apply in relation to the transfer duty as they apply in relation to the duty chargeable under that Act.

(2) Where the transfer duty or any portion thereof is less than ten naye Paise, such duty or portion shall not be collected.

4. *Duties of registering officers in regard to the particulars to be set forth in instruments.*—(1) Whenever any instrument is presented for registration to any registering officer, he shall see whether the particulars referred to in section 27 of the Stamp Act are set forth in the instrument separately as required by the said section 27 read with section 124 (2) (*a*) of the Madras Panchayats Act, 1958, and shall also ensure that the panchayat within whose jurisdiction the property concerned is situated, is set forth clearly in the instrument.

(2) If the said particulars be not so separately set forth in the instrument, the registering officer shall impound it and forward it in original to the Collector, calling his attention to section 64 of the Stamp Act read with section 124 (2) (*b*) of the Madras Panchayats Act, 1958.

(3) The duty leviable on an instrument of exchange shall be regulated as follows :—

(*a*) if the values of the properties exchanged are unequal, the duty shall be levied on the value of the property of the greater value;

(*b*) if the values of the properties exchanged are equal, the higher amount of duty leviable shall be levied.

5. *Maintenance and consolidation of accounts in respect of transfer duty.*—(1) (*a*) Every registering officer shall maintain an account of the duty paid in respect of each instrument registered by him showing separately the duty imposed by the Stamp Act and the transfer duty. He shall also maintain a separate account for each panchayat within whose jurisdiction the property concerned is situated, ascertaining from the concerned party wherever necessary the amount on which the transfer duty is to be levied.

(*b*) The Inspector-General of Registration may issue executive instructions regarding the maintenance of accounts by registering officers in this behalf and the form in which the consolidated accounts for each quarters are to be forwarded to the Treasury Officers of the Districts concerned.

(2) In the case of instruments which do not come into the hands of the registering officers owing to the fact that they are not compulsorily registerable under section 17 of the Indian Registration Act, 1908, the Collector before whom any such instrument is produced under section 31 or 41 of the Stamp Act or who impounds any such instrument under section 33 of the said Act, or receives a certificate of the duty and penalty paid in respect of any such instrument or the original of any such instrument under section 38 of that Act, shall keep an account of the duty paid in respect of each such instrument showing separately the duty imposed by the Stamp Act and the transfer duty and forward to the District Registrar of Assurances concerned within one month after the close of each quarter, a quarterly consolidated account with particulars in the case of each such instrument regarding the names of the executant and claimant, the date of execution, the nature of the transaction, the amount on which the transfer duty is leviable and the description of the property situated within the limits of the panchayat or outside such limits.

(3) If in any case it is impossible to recover the full duty payable on any instrument, then only such portion of the duty realised on such instrument as is in excess of the duty imposed by the Stamp Act shall be treated in the accounts referred to in this rule as transfer duty.

6. *Collector to forward to the District Registrar concerned quarterly statement of refunds of transfer duty.*—Every Collector who sanctions a refund of the transfer duty paid on any instrument

shall forward to the District Registrar of Assurances concerned within one month after the close of each quarter a statement of instruments in respect of which such refunds were sanctioned during the quarter noting therein the amount of the transfer duty refunded and the particulars referred to in rule 5 (2) in respect of each such instrument.

7. *Inspector-General of Registration to send intimation to the Treasury Officers of the districts concerned in respect of the amount payable to local authorities.*—(1) Intimation regarding the amounts payable quarterly to the panchayats and the amount of deduction on account of the collection of the transfer duty to be credited to the Government in respect of the instruments referred to in sub-rules (1) and (2) of rule 5 shall be sent by the Inspector-General of Registration to the Treasury Officers of the district concerned within two months after the close of each quarter.

(2) The amounts payable to the village and town panchayats shall be credited to the General Fund of the panchayat union council concerned. The amount shall represent the transfer duty paid less a dduction of three per cent thereon on account of collection of the transfer duty and the amount of refunds referred to in rule 6, if any.

(3) The statement of accounts sent by the Inspector-General of Registration shall contain particulars of the amount payable to the panchayats and that adjustable to the Registration Department distinctly and separately. A copy of the statement shall also be sent to the Commissioner of the Panchayat Union and the Revenue Divisional Officer concerned.

8. *Payments to local authorities by the panchayat union council.*—The panchayat union council concerned shall, within three months after the close of each quarter pay to the panchayats concerned the amounts payable to them in accordance with the procedure laid down in sub-section (3) of section 124 of the Act.

9. The deductions on account of collection of the transfer duty shall be credited to the Government.

NOTIFICATION No. 45.

In exercise of the powers conferred by section 127 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Power to write-off irrecoverable taxes, fees, etc.—Restrictions and control.*

1. The power of a panchayat under section 127 of the Madras Panchayat Act, 1958, to write-off as irrecoverable any tax, fee or other amount due to it, whether under a contract or otherwise, shall be subject to the restrictions and control specified in the following rules.

2. Amounts found irrecoverable shall be reported by the bill-collector or the village headman or any other person belonging to the staff of the Land Revenue Department when he is entrusted with the work of collection of taxes or fees under section 126 of the Act, with reasons therefor, which shall be verified by the executive authority. A list of all such amounts shall be prepared once a quarter and submitted to the panchayat at its next meeting for sanction with the reasons and recommendations of the executive authority for writing off the same. The executive authority shall see that the defaulter has no attachable property within the village or town and that all means of recovery have been tried and found unsuccessful, before recommending the write-off of the amount.

3. A register for recording all writes-off shall be maintained in such form as may be specified by the Government.

4. When writes-off are sanctioned by a panchayat, the items shall be entered in the register of writes-off and particulars as to the nature of the tax, fee or other amount (assessment number also, in the case of items relating to tax), amount written off and the period to which the amount relates shall be given in detail in the minutes book, or if the panchayat prefers it reference may be given only to the serial number in the register of writes-off. The total amount authorized to be written off each time shall be stated in words in either case.

5. The bills and warrants (both foil and counterfoil) for the taxes, fees or other amounts written off, shall, as soon as possible after sanction for the write-off is given, be stamped " Written-off " and necessary entries shall at the same time be made in the demand registers.

6. When any single item of tax, fee or other amount to be written off as irrecoverable exceeds Rs. 50, the sanction of the Revenue Divisional Officer shall be obtained therefor.

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### NOTIFICATION No. 46.

In exercise of the powers conferred by sub-section (2) of section 159 and sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Maximum licence fee for machinery driven by electricity or other power.*

I. Machinery driven by electricity.

1. The fees which may be charged for a permission granted under section 112 of the Madras Panchayats Act, 1958 for the

installation in any premises of any machinery or manufacturing plant driven by electrical power shall not exceed the maxima specified in Schedule I appended to these rules :

Provided that the fees which may be charged under this rule shall not exceed those charged for the installation of any machinery or manufacturing plant of like horse-power driven otherwise than by electricity.

2. The fees which may be charged for a licence granted or renewed under section 111 of the said Act for a period one year for a place in which any machinery or manufacturing plant driven by electrical power is used shall not exceed the maxima specified in Schedule I appended to these rules :

Provided that where any such licence is granted or renewed for periods of less than one year, the aggregate licence fees charged for the same place in respect of the same machinery or manufacturing plant in any year shall not exceed the fees which may be charged for a licence granted or renewed in respect thereof for a period of one year :

Provided further that the fees which may be charged under this rule shall not exceed those charged for any machinery or manufacturing plant of like horse-power driven otherwise than by electricity.

3. The maxima specified in Schedule I appended to these rules shall apply only to applications made in time; in the case of a belated application an additional fee not exceeding 25 per cent of the maximum fee specified in the schedule may be charged.

II. Machinery driven by power other than electricity.

4. The fees which may be charged for a permission granted under section 112 of the said Act for the installation in any premises of any machinery or manufacturing plant driven by power other than electricity, shall not exceed the maxima specified in Schedule II appended to these rules.

5. The fees which may be charged for a licence granted or renewed under section 111 of the said Act for a period of one year for a place in which any machinery or mannufacturing plant driven by power other than electricity is used shall not exceed the maxima specified in Schedule II appended to these rules :

Provided that where any such licence is granted or renewed for periods of less than one year, the aggregate licence fees charged for the same place in respect of the same machinery or manufacturing plant in any year shall not exceed the fees which may be charged for a licence granted or renewed in respect thereof for a period of one year.

6. The maxima specified in Schedule II appended to these rules shall apply only to applications made in time; in the case of a belated application, an additional fee not exceeding 25 per cent of the maximum fee specified in that schedule may be charged.

3. (1) Any licence or permission granted under the Act or any rule or by-law made thereunder may, at any time, be modified, suspended or cancelled by the executive authority, if any of its restrictions, limitations or conditions is evaded or infringed by the grantee, or if the grantee is convicted of a breach of any of the provisions of the Act, or of any rule, by-law or regulation made thereunder in any matter to which such licence or permission relates, or if the grantee has obtained the same by misrepresentation or fraud. An appeal shall lie to the panchayat against any order of the executive authority under this rule modifying, suspending or cancelling a licence and no such appeal shall be heard unless it is received in the office of the panchayat within ten days after the date of receipt by the grantee of the order appealed against.

(2) A second appeal shall lie to the Divisional Panchayat Officer against the orders of the panchayat under sub-rule (1) within thiry days of the date of receipt by the grantee of the orders appealed against.

4. Every order of the authority competent under the Act or any rule or by-law made thereunder to pass an order refusing, modifying, suspending or cancelling a licence or permission shall be in writing and shall state the grounds on which it proceeds.

5. When any licence or permission is suspended or cancelled or when the period for which it was granted, or within which application for renewal should be made, has expired, whichever expires later, the grantee shall for all purposes of the Act, or any rule or by-law made thereunder be deemed to be without a licence or permission until the order suspending or altering the licence or permission is cancelled or until the licence or permission is renewed, as the case may be.

*6. The grantee of every licence or permission shall at all reasonable times, while such licence or permission remains in force produce the same at the request of the executive authority.

7. When any notice is required by the Act or by any rule, bylaw, regulation or order made thereunder to be served on, or sent to any person, the service or sending thereof may be effected—

(i) by giving or tendering the said notice to such person; or

(ii) if such person is not found, by leaving such notice at his last known place of abode or business, or by giving or tendering the same to some adult member or servant of his family; or

(iii) if such person does not reside in the village or town and his address elsewhere is known to the executive authority by sending the same to him by registered post; or

(iv) if none of the means aforesaid be available by affixing the same in some conspicuous part of such place of abode or business.

8. When the person is an owner or occupier of any building or land, it shall not be necessary to name the owner or occupier in the notice and in the case of joint owners or occupiers, it shall be sufficient to serve it on, or send it to, one of such owners or occupiers.

9. Whenever in any bill or notice, form or other document served or sent under the Act, a period is fixed within which any tax or other sum is to be paid or any work executed, or anything provided, such period shall, in the absence of any distinct provision to the contrary in the Act or the rules framed thereunder, be calculated from the date of such service or sending.

10. Whoever fails to produce a licence or permission on request under rule 6 shall be punishable with fine which may extend to five rupees.

11. In these rules, the term "the Act" means the Madras Panchayats Act, 1958. 1248

## NOTIFICATION No. 48.

In exercise of the powers conferred by clause (xxxv) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Determination of claim to trees growing on public roads or other property vesting in or belonging to panchayats, etc.*

1. The trees (except those granted on tree-tax system) standing on any public road vested in a panchayat under sub-section (1) of section 76 of the Madras Panchayats Act, 1958 (hereinafter referred to as the said Act), shall vest in the panchayat :

Provided that the ownership of such trees shall remain with the Government :

Provided further that the Government may, if they consider that the panchayat has abused its rights under this rule, withdraw any such trees from the control of the panchayat.

2. The Government may cut and remove any tree planted by the panchayat on any poramboke which is vested in it under sub-section (2) of section 86 or the use of which is regulated by the panchayat under sub-section (4) of section 86 of the said Act. The Government shall not be liable to pay any compensation for any tree so cut and removed. The trees so cut and removed may either be handed over to the panchayat or be sold in public auction and where they are sold in public auction, the proceeds of such sale shall be credited to the panchayat fund.

3. The panchayat shall have power to grant licences to the owners of land adjoining any public road vested in it under sub-section (1) of section 76 of the said Act or any poramboke which is vested in the panchayat under sub-section (2) of section 86 or the use of which is regulated by the panchayat under sub-section (4) of section 86 or under section 87 of the said Act, for planting fruit-bearing trees, for a period within which the trees may reach the fruit-bearing stage and then to licence the trees subject to the proper maintenance and upkeep of the trees and to other suitable terms and conditions.

4. The panchayat shall be entitled to the usufruct of the trees on the margin of any road vested in it under sub-section (1) of section 76 of the said Act and on the porambokes which are vested in it under-section (2) of section 86 or the use of which is regulated by it under sub-section (4) of section 86 or clause (*a*) of sub-section (1) of section 87 of the said Act except those held on the tree-tax system as defined in clause (*b*) (ii) of paragraph 2 of B.S.O. No. 18, Appendix XI of Board's Standing Orders, Volume I.

5. The panchayat may lease to any person the usufruct of any tree standing on the margin of any public road vested in it under sub-section (1) of section 76 of the said Act or any such poramboke as is mentioned in rule 4 except trees held on the tree-tax system as defined in rule 5 above. The panchayat shall be entitled to the income from such leases.

6. No fruit-bearing trees on the margin of any such road or any such poramboke as is mentioned in rule 4 which have not already been leased out on the tree-tax system shall, so long as the panchayat is, under rule 4 entitled to the usufruct of the trees on such road margins or porambokes, be leased out by the Collector on the tree-tax system without the consent of the panchayat.

7. (1) The panchayat shall have the powers to cut down or sell by auction—

(*a*) wind-fallen and withered trees except cyclone-fallen trees, irrespective of the fact whether they are fruit-bearing trees or non-fruit-bearing trees;

(*b*) live trees on road margins which are considered as dangerous to traffic or a danger to life or health; and

(*c*) live trees on the bunds of small tanks which serve as sources of supply of drinking water, if the leaves of such trees fall into the tanks and render them unfit for drinking purposes.

(2) The income derived from the sale of the trees under sub-rule (1) shall be appropriated by the panchayat.

(3) When the panchayat proposes to cut or sell live trees under clause (*b*) or (*c*) of sub-rule (1), it shall obtain the sanction of the Revenue Divisional Officer which may be accorded by him on a report from the Tahsildar after the trees have been personally inspected by the latter.

(4) In respect of trees fallen as a result of a cyclone the panchayat shall report to the Revenue Divisional Officer and obtain permission as in sub-rule (3) to sell the trees. The income derived from the sale of such trees under this rule shall be reported to the Revenue authorities and shall be credited to the funds of the panchayat.

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NOTIFICATION No. 49.

In exercise of the powers conferred by clause (xlvi) of subsection (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Accounts of private markets—Maintenance, audit and inspection.*

1. The owners, occupiers or farmers of private markets shall issue tickets for collections made daily for use of such markets, and receipts for collections made periodically.

2. The receipts and ticket books shall be printed in Forms I and II given in the Appendix.

3. The ticket books shall be printed separately for each rate of fees charged.

4. The owners, occupiers or farmers of the said markets shall keep true and complete accounts of the receipts from the markets and expenditure incurred on their maintenance and shall produce them whenever required for inspection, check or audit by the executive authority of the panchayat or such other person as may be authorized by the executive authority of the panchayat as the case may be in this behalf.

5. A register of collections and disbursements shall be maintained in Forms III and IV respectively given in the Appendix. The registers, ticket and receipt books shall be checked by the executive authority of the panchayat or such other person as may be authorized by the excutive authority of the panchayat as the case may be not less than once every month and such remarks as are called for recorded therein. If the accounts have been found to be kept correctly, a certificate to that effect shall be recorded in the said registers.

6. A statement showing the receipts and charges relating to the markets for the previous year (or for the period of full twelve months preceding the date of application for licence) shall accompany every application for renewal of licence to keep open the

market. The executive authority of the panchayat shall, before renewing the licence, check the statement referred to above with the books of the owner, occupier or farmer of the markets.

7. The panchayat may refuse to renew the licence if any of the requirements of rules 4, 5 or 6 are not complied with.

## APPENDIX.

### FORM I.

(*See* rule 2.)

COUNTERFOIL.

.........................Market.

rent for —No. room / stall

for 19 No.

Rs. nP.

Received on 19 19 .

Bill Collector.

OUTERFOIL.

Received from Sri,..............

the sum of Rs.

being rent for :— room / stall

in the

...............market for ...........

Rs. nP.

Received on ...................

Bill Collector.

### FORM II.

(*See* rule 2.)

COUNTERFOIL.

Serial No. Ticket,

...................Market

per day,

(here enter rate)

OUTERFOIL.

Ticket.

Serial No.

............ market).

(here enter rate)

### FORM III.

*Register of Collections.*

(*See* rule 5.)

| | Collections by Tickets. | | | | | | | | Other Receipts. | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Stock on hand. | | | Issues. | | | Balance. | | Rents. | | Miscellaneous. | | | |
| Date. | Value. | Serial numbers from to | Number. | Serial numbers from to | Numbers. | Amount collected. | Serial numbers from to | Number. | Number of receipt. | Amount. | Receipt number. | Amount. | Total collection for each day. | Remarks. |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |

## Form IV.

*Register of disbursements.*

(*See* rule 5.)

| Date. | Particulars of expenditure. | Amount. | Remarks. |
|---|---|---|---|

## NOTIFICATION No. 50.

In exercise of the powers conferred by sub-section (3) of section 159 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958,, the Governor of Madras hereby makes the following rule :—

### Rule.

*Time-limit for communication of orders on application for licences and permissions.*

In cases where any outside authority, such as the District Health Officer or the Inspector of Factories or any other officer has to be consulted before passing orders on an application for any licence or permission or renewal thereof, made under the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), or any rule, by-law or regulation made thereunder, orders in respect of such application shall be communicated to the applicant within sixty days after the receipt of the application by the executive authority of the panchayat. 1248 — 26-4-61

## NOTIFICATION No. 51.

In exercise of the powers conferred by sub-section (1) and clause (xviii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

*Grant of remission of revenue to lessees and contractors.*

1. All lessees of revenue from panchayats and all persons who have entered into contracts with panchayats shall be held strictly to the terms of their leases or contracts and no remissions shall be granted to them except in accordance with the provisions of rules 2 and 3.

2. The grant of remissions to lessees and contractors shall be subject to the following restrictions and control, namely :—

(*a*) remission shall be granted only in cases in which the lessee or contractor is prevented from carrying out his part of the lease or contract by reason of the occurrence of some extraordinary extrinsic cause which could not reasonably have been anticipated, for example, the compulsory closing, on account of the outbreak of an epidemic, of a market which has been leased out;

(*b*) the amount of remission granted shall not exceed the proportionate amount payable under the lease or contract for the period for which the lessee or contractor was prevented from carrying out his part of the lease or contract on account of such extraordinary cause ; and

(c) when the amount remitted exceeds fifty rupees, the previous sanction of the Revenue Divisional Officer shall be obtained.

3. Penalties provided in the lease or contract shall be strictly enforced in accordance with the terms of the lease or contract. Penalties for late payment of the amount due to the panchayat under the lease or contract shall not be remitted except in cases where the payment of instalments of the amount due are, in the opinion of the panchayat fairly regular and the whole amount due to the panchayat under the lease or contract is paid before the end of the period to which the lease or contract relates :

Provided that when the amount remitted exceed, Rs. 50 in each case, the previous sanction of the Revenue Divisional Officer shall be obtained.

### NOTIFICATION No. 52.

In exercise of the powers conferred by clause (xxii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Recovery of sums due to the panchayat.*

All costs, damages, compensation, penalties, charges, fees (other than school fees), expenses, rents (not being rents for land and buildings demised by the panchayat) contributions and other sums which under the Madras Panchayats Act, 1958, or any other law or rules or by-laws made thereunder are due by any person to the panchayat may, if there is no special provision in the Act or the rules made thereunder for their recovery, be demanded by bills which shall be served on the persons concerned and recovered in the manner provided in the rules for the collection of taxes under the Madras Panchayats Act, 1958.

### NOTIFICATION No. 53.

In exercise of the powers conferred by section 112 and sub-section (1) of section 178 of Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Installation of machinery—Exemption from permission.*

The following machinery shall be exempt from the provisions of section 112 of the Madras Panchayats Act, 1958, namely :—

(1) electoral appliances intended to be used for purely domestic or personal purposes or comfort and electrical machinery intended to be used for such purposes or comfort;

(2) non-electrical appliances not exceeding two horse-power intended to be used for purely domestic or personal purposes or comfort and non-electrical machinery not exceeding two horse-power intended to be used for such purposes or comfort;

(3) electrical installations including motors used for *bona fide* agricultural purposes; and

(4) non-electrical installations not exceeding two horse-power which are installed in connection with agricultural purposes.

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NOTIFICATION No. 54.

In exercise of the powers conferred by clause (XXXVII) of sub-section (2) of section 178 and sub-section (1) of section 179 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Powers which may be exercised by the panchayat or the executive authority in respect of any public or private market or the user thereof.*

1. The executive authority of the panchayat may expel from any public market any person who or whose servant has been convicted of disobeying any by-laws at the time in force in such market, and may prevent such person from further carrying on, by himself or his servants or agents, any trade or business in such market, or occupying any shop, stall or other place therein and may determine any lease or tenure which such person may possess in any such shop, stallor place.

2. The panchayat may by notice require the owner, occupier, or farmer of any private market to—

(*a*) construct approaches, entrances, passages, gates, drains and cesspits for such market and provide it with latrines of such description and in such position and number as the panchayat may think fit;

(*b*) roof and pave the whole or any portion of it, or pave any portion of the floor with such material as will in the opinion of the panchayat secure imperviousness and ready cleansing;

(*c*) ventilate it properly and provide it with a supply of water;

(*d*) provide passages of sufficient width between the stalls and make such alterations in the stalls, passages, shops, doors or other parts of the market as the panchayat may direct;

(*e*) keep it in a cleanly and proper state, remove all filth and refuse therefrom and dispose of them at such place and in such manner as the panchayat may direct; and

(*f*) make such other sanitary arrangements as the panchayat may consider necessary.

3. If any person, after notice given to him in that behalf by the panchayat, fails within the period and in the manner laid down in the said notice to carry out any of the works specified in rule 2, the panchayat may suspend the licence of the said person, or may refuse to grant him a licence until such works have been completed.

4. It shall not be lawful for any person to keep open any private market during such suspension or until the licence is renewed.

5. No owner, occupier, agent or manager in charge of any private market, or of any shop, stall, shed or other place therein, shall keep the same so that it is a nuisance or fail to cause anything that is a nuisance to be at once removed to a place, to be specified by the panchayat.

6. (1) Whoever fails to comply with the terms of a notice under rule 2 or contravenes the provisions of any of the other rules specified in the first column of Schedule I below shall be punishable with fine which may extend to the amount mentioned in that behalf in the second column of the said schedule.

(2) Whoever after having been convicted of any of the offences referred to in sub-rule (1) continues to commit such offence shall be punishable, for each day after the previous date of conviction during which he continues so to offend, with fine which may extend to the amount mentioned in that behalf in the second column of Schedule II below.

## SCHEDULE I.

*Ordinary penalties.*

[*See* sub-rule (1) or rule 6.]

| *Offence.* (1) | *Fine which may be imposed.* (2) |
|---|---|
| Failure to comply with the terms of a notice under rule 2. | One hundred rupees. |
| Contravention of rule 4 .. .. .. .. | Fifty rupees. |
| Contravention of rule 5 .. .. .. .. | Twenty rupees. |

## SCHEDULE II.

*Penalties for continuing breaches.*

[*See* sub-rule (2) of rule 6.]

| *Offence.* (1) | *Daily fine which may be imposed.* (2) |
|---|---|
| Failure to comply with the terms of a notice under rule 2. | Ten rupees. |
| Contravention of rule 4 .. .. .. .. | Fifteen rupees. |
| Contravention of rule 5 .. .. .. .. | Ten rupees. |

NOTIFICATION No. 55

In exercise of the powers conferred by clause (xli) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Limitation of time for appeals.*

Save as otherwise expressly provided in the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), or in the rules made thereunder every appeal under that Act or any such rule shall, subject to the provisions of section 5 of the Indian Limitation Act, 1908 (Central Act IX of 1908), be presented to the Collector—

(*a*) where the appeal is against an order granting a licence or permission, within thirty days after the date of publication of the order on the notice board of the panchayat; and

(*b*) in other cases, within thirty days after the date of receipt of the order or proceeding against which the appeal is made.

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NOTIFICATION No. 56

In exercise of the powers conferred by clause (*e*) of section 63 and clause (xxx) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Cleaning of private latrines and cess pools.*

1. Every panchayat shall make adequate arrangements for the regular cleaning of latrines and cess pools in private premises.

2. The panchayat may levy a fee from the owner or occupier of the said premises or place at the rate calculated to cover the cost of the service.

3. In calculating the rate of the fees to be levied under rule 2, the panchayat shall take into account in the case of latrines the number of persons residing in the building concerned or the area of the latrine, and in the case of cess pools, the area and/or the depth of the cess pool.

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## CHAPTER V—BUDGET, ADMINISTRATION REPORT AND AUDIT.

### NOTIFICATION No. 57

In exercise of the powers conferred by clause (xvii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### RULES.

*Powers of auditors, inspecting and superintending officers, etc.*

1. All persons authorized by the Madras Panchayats Act, 1958, or the rule made thereunder to conduct inquiries and all auditors, inspecting and superintending officers, appointed under the said Act, holding any inquiries into matters falling within the scope of their duties shall have for the purpose of holding such inquiries powers—

(i) to summon any person resident within the district whose evidence may appear to them to be necessary for the investigation of any matter under inquiry and also to require the production of any document relevant to the matter under inquiry which may be in the possession or under the control of such person; and

(ii) to grant to any such person such allowance as is admissible to a witness summoned by a civil court and to pass orders as to the person by whom or the fund out of which allowance shall be paid.

2. Such summons shall be in writing and authenticated by the signature and the seal if any, of the officer by whom it is issued.

It shall be required the person summoned to appear before the said officer at a stated time and place and shall specify whether his attendance is required for the purpose of giving evidence or to produce a document, or for both purposes; and any particular document, the production of which is required shall be described in the summons with convenient certainty.

3. The summons shall be served personally on the person summoned, or, if he cannot be found, it may be left for him with some adult members of his family residing with him, or with the head of the revenue village in which he lives.

4. Any person may be summoned to produce a document without being summoned to give evidence; and any person summoned merely to produce a document shall be deemed to have complied with the summons if he causes such document to be produced, instead of attending personally to produce the same.

5. When the person whose evidence may be required is unable from sickness or infirmity to attend before the officer issuing the summons, or is a person whom by reson of rank or sex it may

not be proper to summon, the officer issuing the summons, may, of his own motion, or on the application of the party whose evidence is desired, dispense with the appearance of such person, and order him to be examined by a subordinate deputed by such officer for the purpose.

6. Any person who fails to obey a summons issued under these rules shall be punishable with fine which may extend to one hundred rupees.

7. Nothing contained in these rules shall apply to cases for which provision has otherwise been made by or under the Madras Panchayats Act, 1958.

G.O. Ms 1248 RD&LA dated 26th April 1961

## CHAPTER VI—CONTROL AND SUPERVISION.

### NOTIFICATION No. 58

In exercise of the powers conferred by section 148 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Control of the emergency powers of Additional Development Commissioner and Collector.*

Every case in which the powers conferred by section 148 of the Madras Panchayats Act, 1958 are exercised shall—

(i) in case such powers are exercised by the Additional Development Commissioner, be forthwith reported by him to the Government; and

(ii) in case such powers are exercised by the Collector, be forthwith reported by him to the Additional Development Commissioner,

with the reasons in full for the exercise of such powers and a copy of the report shall, at the same time, be sent to the panchayat for information.

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### NOTIFICATION No. 59

In exercise of the powers conferred by sub-section (1) of section 162 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Restrictions and control on powers of entry and inspection.*

1. For the purposes of clause (*a*) of sub-section (1) of section 162—

(*a*) no entry shall be made by the executive authority or any person authorized by him between sunset and sunrise;

(*b*) no dwelling house, and no part of a public building used as a dwelling place, shall be entered into by the executive authority or any person authorized by him, without the consent of the occupier thereof, unless the said occupier has received at least six hours' previous notice of the intention to make such entry;

(*c*) sufficient notice shall be given by the executive authority or any person authorized by him, in every case even when any premises may otherwise be entered without notice under rule 2 (*b*) to enable the inmates of any apartment appropriated to women to move to some part of the premises where their privacy may be preserved;

(*d*) due regard shall be paid by the executive authority or any person authorized by him, so far as may be compatible with the exigencies of the purpose of the entry, to the social and religious usages of the occupants of the premises.

2. For the purposes of clause (*b*) of sub-section 1 of section 162—

(*a*) the executive authority or any person authorized by him may enter any premises between sunrise and sunset, and also between sunset and sunrise if it open to the public, or any industry is being carried on it, at the time;

(*b*) if there is reason to believe that any premises is being used for any of the purposes mentioned below without a licence or permission, where the same is required by or under the Act or anything is being done in such premises otherwise than in conformity with the conditions of such licence or permission, the executive authority or any person authorized by him at any time by day or night without notice enter such premises for the purpose of satisfying himself whether any provision of law, rules, by-laws or regulations, any condition of a licence or permission or any lawful direction or prohibition is being contravened :—

(i) Tanning hides or skins;

(ii) manufacturing gunpowder or fireworks;

(iii) brewing beer, manufacturing arrack or other spirit containing alcohol (whether denatured or not) by distillation; and

(iv) storing any explosive or combustible materials.

NOTIFICATION No. 60

In exercise of the powers conferred by section 164 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

RULE.

*Information that may be called for from village officers.*

The executive authority of a panchayat may, by an order in writing, require the headman or karnam or both of any revenue village comprised within the jurisdiction of the panchayat to furnish

him with information on any matter falling within the following categories in respect of such village or any part thereof or any person or property therein :—

(1) Particulars of survey number, subdivision, classification, description such as whether the land is dry or wet, extent, assessment and name of the registered holder or occupier of any land within the limits of the panchayat, available in the village records.

(2) Any other particulars available in the registers and accounts maintained by village officers for the administration of the panchayat :

Provided that the information on a matter falling under category (2) shall be called for through the Revenue Inspector of the firka concerned.

NOTIFICATION No. 61

In exercise of the powers conferred by clause (xxv) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Power of Executive Authority to call for information of any matter, etc.*

1. The executive authority of a panchayat may summon any person to attend before him and to give evidence or produce documents, as the case may be, in respect of any question relating to taxation, or inspection, or to the grant of any licence or permission under the provisions of the Madras Panchayats Act, 1958.

2. Whoever fails to obey the summons issued by the executive authority under rule 1 shall be punishable with fine which may extend to ten rupees.

NOTIFICATION No. 62

In exercise of the powers conferred by clause (xxvi) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Use of facsimiles of signatures of the executive authorities and officers of Panchayats.*

1. Every licence, permission, notice, bill, schedule, summons or other document which is required by the Madras Panchayats Act, 1958, or by any rule, by-law or regulation made under it to bear the signature of the executive authority or of any officer of a panchayat shall be deemed to be properly signed if it bears a facsimile of the signature of the executive authority or of such officer, as the case may be.

2. Nothing in rule 1 shall be deemed to apply to a cheque drawn upon a panchayat or to any deed of contract entered into by a panchayat.

NOTIFICATION No. 63

In exercise of the powers conferred by clause (xlii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Classification of public roads, fairs and festivals.*

1. The classification of public roads, and fairs and festivals, in any panchayat area as appertaining to the panchayat union council of the panchayat shall be ordered by the Additional Development Commissioner in consultation with—

(i) the Collector and the Chief Engineer (Highways) in the case of public roads; and

(ii) the Director of Public Health in the case of fairs and festivals.

2. Before any classification is ordered under rule 1, the Panchayat Union Council and the panchayat concerned shall be given a reasonable opportunity of expressing their opinion.

3. The Government shall have power to revise, in consultation with the District Development Council concerned, any classification ordered by the Additional Development Commissioner under rule 1.

NOTIFICATION No. 64

In exercise of the powers conferred by sub-sections (1) and (3) of section 180 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Framing of by-laws by Panchayats.*

1. The panchayat shall, before making or altering by-laws, publish a draft of the proposed by-laws or alterations, together with a notice specifying a date on or after which such draft will be taken into consideration and shall, before making the by-laws or alterations, receive and consider any objection or suggestion which may be made in respect of such draft by any person interested therein before the date so specified.

The notice under this rule shall be published in the manner laid down in rule 3 and the period specified for the receipt of objections or suggestions shall not be less than thirty days.

2. No by-law or cancellation or alteration made by a panchayat shall have effect, until the same has been approved and confirmed by the Revenue Divisional Officer concerned in the case of by-laws other than those relating to water-supply and drainage works and by the Sanitary Engineer in the case of by-laws relating to water-supply and drainage works.

3. Any by-law or cancellation or alteration of a by-law when it has been duly confirmed shall if it is not in Tamil be translated into Tamil and deposited in the office of the panchayat and a copy thereof shall also be exhibited on the notice board of the said office and at such places as the panchayat may direct. A public proclamation shall also be made throughout the area of the jurisdiction of the panchayat by beat of drum or otherwise that such copy has been so exhibited and that the original is open to inspection at the office of the panchayat.

4. Any by-law or cancellation or alteration of a by-law shall come into operation on the expiry of three months from the date on which it was deposited in the office of the panchayat.

### NOTIFICATION No. 65

In exercise of the powers conferred by clause (*a*) of sub-section (2) of section 72 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

#### Rule.

*Period during which an unreserved forest may be withdrawn from the control of the Panchayat.*

The period for which any unreserved forest may be withdrawn from the control of a panchayat by the Revenue Divisional Officer under clause (*a*) of sub-section (2) of section 72 including the periods of extension, if any, under clause (*b*) of that section shall not exceed two years.

### NOTIFICATION No. 66

In exercise of the powers conferred by sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

#### Rule.

*Manner of service of documents other than notices.*

When any document other than a notice is required by the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), or by any rule, by-law, regulation or order made thereunder, to be served on, or sent to, any person, the service or sending thereof may be effected :—

(i) by giving or tendering the said document to such person or;

(ii) if such person is not found, by leaving such document at his last known place of abode or business, or by giving or tendering the same to some adult members or servant of his family; **or**

(iii) if such person does not reside in the village or town as the case may be and his address elsewhere is known to the executive authority by sending the same to him by registered post; or

(iv) if none of the means aforesaid be available, by affixing the same in some conspicuous part of such place of abode or business.

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NOTIFICATION No. 67

In exercise of the powers conferred by clause (xxix) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

RULES.

*Prohibition or regulation of the use of public or private springs, tanks, wells, etc.*

1. The panchayat may, in the interests of public health, regulate or prohibit the washing of animals or of clothes or other articles or fishing, in any public spring, tank or well or any public water-course or part thereof and may set apart any such place for drinking or for bathing or for washing animals or clothes or for any other specified purpose.

2. The powers conferred by rule 1 may, in the case of any private spring, tank, well or water-course, be exercised by the panchayat, with the consent of the owner of such place.

3. The panchayat may, in the interests of public health, regulate or prohibit the washing of animals or of clothes or of other articles in any private spring, tank, well or water-course from which the public have a right to take water for drinking purposes.

4. The executive authority of a panchayat on receipt of a certificate from any medical officer in the employment of Government, the panchayat or the panchayat union stating that the water in any well, tank, spring or other source of water-supply to which the public have access in the village or town is likely to engender or cause the spread of any dangerous disease may, by public notice, prohibit the use of such water. Such notice shall be served by affixing a copy of it near the source of water-supply or by beat of drum, stating the number of days during which such prohibition shall last. The executive authority may extend or modify the notice without the production of a further certificate.

5. No person shall—

(*a*) bathe in or defile the water in any place set apart for drinking or cooking purposes either by a panchayat or in the case of private property by the owner thereof; or

(*b*) deposit any offensive or deleterious matter in the dry bed of any place set apart as aforesaid for drinking purposes; or

(*c*) wash clothing in any place set apart as aforesaid for drinking purposes or for bathing; or

(*d*) wash any animal or any cooking utensil or wool, skins, or other foul or offensive substance or deposit any offensive or deleterious matter in any place set apart as aforesaid for drinking purposes or for bathing or for washing clothes; or

(*e*) allow the water from a sink, sewer, drain, engine or boiler or any other offensive matter belonging to him or flowing from any building or land belonging to or occupied by him, to pass into any place set apart as aforesaid for drinking purposes, or for bathing, or for washing clothes.

6. Whoever contravenes any order issued under any of the provisions of rules 1 to 3 or a notice under rule 4 or any of the provisions of rule 5, or fails to comply with any direction lawfully given to him or any requisition lawfully made upon him under any of these rules shall be punishable with fine which may extend to fifty rupees and in case of a continuing breach, with fine not exceeding ten rupees for every day during which the breach continues after conviction for the breach. 1248 - 26.4.61

## CHAPTER VII—PUBLIC WORKS AND MISCELLANEOUS.

### NOTIFICATION No. 68

In exercise of the powers conferred by sub-section (1) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

### Rules.

*Appointment of counsel and payment of fees in certain cases.*

1. When the Government and a panchayat are both parties in a civil case in which the correctness of the survey of lands vested in the panchayat is in question and the interests of both are identical, the panchayat shall engage on its behalf only the counsel appointed by the Collector on behalf of the Government. In such cases, the fee payable to the counsel shall be borne by the Government and the panchayat in the proportion of two-thirds and one-third respectively.

2. In civil cases other than those mentioned in rule 1, where the Government and a panchayat are both parties and their pleadings are similar, the panchayat shall engage on its behalf only the counsel appointed on behalf of the Government. In such cases, the fee payable to the counsel and other incidental charges and any expenses incurred after the proceedings on behalf of the Government and the panchayat became joint and in furtherance of such joint proceedings, shall be borne by the Government and the panchayat in equal shares.

3. These rules shall not apply to appeals filed by panchayats against the decisions of civil courts.

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## NOTIFICATION No. 69

In exercise of the powers conferred by section 167 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rule :—

### RULE.

*Composition of offences.*

The offences punishable under the sections of the Madras Panchayats Act, 1958, specified in the first column of the schedule below shall be compoundable, or compoundable with the permission of the court before which any prosecution for such offence is pending as mentioned in the fourth column thereof :—

*Schedule.*

| *Section and sub-section or clause.* (1) | *Offence.* (2) | *Punishment under the Act.* (3) | *Whether compoundable or compoundable with permission of the Court.* (4) |
|---|---|---|---|
| 82 (1) (*a*) .. | Unlawful building of wall or erecting of fence, etc, in or over public road. | One hundred rupees. | Compoundable. |
| 82 (1) (*c*) .. | Unlawful quarrying in any place near public road. | Fifty rupees. | Do. |
| 82 (1) (*d*) | Unlawful erection of building over drain. | Two hundred rupees. | Compoundable, with permission of the Court before which any prosecution for such offence is pending. |
| 82 (1) (*e*) .. | Planting of trees without permission on any public road or other property vested in a panchayat. | Two hundred rupees. | Compoundable. |

| *Section and sub-section or clause.* | *Offence.* | *Punishment under the Act.* | *Whether compoundable or compoundanle with permission of the Court.* |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 82 (1) (*f*) .. | Felling, etc., without permission of trees growing on public road or other property vested in a panchayat or on a poramboke or land the use of which is regulated by it under section 86 or section 87. | Two hundred repees. | Compoundable. |
| 100 (1) .. | Opening a new private market or continuing to keep open a private market without licence or contrary to licence. | Five hundred rupees. | Do. |
| 100 (3) .. | Levy of fees in private market without a certificate. | One hundred rupees. | Do. |
| 102 .. | Sale or exposure for sale in public or private market of any animal or article without permission. | Twenty rupees .. | Do. |
| 103 .. | Sale etc., of articles in public roads or places after prohibition or without licence or contrary to regulaction | Ten rupees. | Compoundable, with permission of the Court before which any prosecution for such offence is pending. |
| 106 (*b*) .. | Using any public place or road-side as a landing or halting place or as a cart-stand within prohibited distance. | Fifty rupees. | Do. |
| 107 (1) .. | Opening a private cart-stand or continuing to keep open a private cart-stand without licence or contrary to licence. | Two hundred rupees. | Do. |
| 109 (*a*) .. | Slaughtering, cutting up or skinning, etc., of animals outside public slaughter-houses in contravention of rules. | Two hundred rupees. | Do. |
| 109 (*b*) .. | Slaughtering animals for purposes of sale without licence or contrary to licence. | Twenty rupees. | Do. |
| 110 (2) .. | Unlawful destruction, etc., number assigned to buildings. | Five rupees .. | Do. |
| 110 (3) .. | Failure to replace number when required to do so. | Twenty rupees. | Compoundable. |
| 111 .. | Using a place for an offensive or dangerous trade without licence or contrary to licence. | One hundred rupees. | Do. |

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NOTIFICATION No. 70

In exercise of the powers conferred by clause (xix) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following rules :—

## RULES.

*Supply to panchayats of materials, goods, etc.*

1. In respect of supplies of materials, goods or services other than those for the execution of works, the panchayat may determine up to what limit of cost not exceeding Rs. 300 tenders may be dispensed with. When tenders are invited, they shall be tabulated and scrutinized by the executive authority and then placed before the panchayat with the recommendations of the executive authority for orders.

2. The lowest tender shall ordinarily be accepted. When it is considered undesirable to accept the lowest tender, the reasons therefor shall be clearly recorded and made available for purposes of audit.

NOTE.—Where a tender is in respect of more than one article' for example, stationery articles, the comparative prices can be considered either individually for each article or conjointly for all the articles or for the specified groups of articles, as long as the lowest tender is accepted (provided that the intention of the panchayat) to select the lowest tender, in any of these ways is made clear in the tender notice. If the tender is considered conjointly for all the articles or for groups of articles, the cost of the probable requirements in respect of all the articles or of all the articles in each group as the case may be, shall be worked out with reference to the rates given in each tender and the lower tender will be that according to which the total cost of the probable requirements of all the articles proposed to be taken together works out to be the least.

3. Where the capacity for supply and the integrity of a tenderer are not known, his tender need not necessarily be rejected; such additional security as the panchayat considers necessary shall, however, be taken from the tenderer, if the circumstances warrant such a course.

4. Where the lowest tender is rejected, the next higher tender shall be accepted unless adequate grounds can be recorded for rejecting that tender also.

5. In no case shall a tender be accepted at rates other than those specified in that tender.

6. There shall be no avoidable delay in the disposal of tenders after they are opened.

7. (1) Tenders (which shall be in sealed covers) shall be invited by the executive authority in the most open and public manner possible—

(*a*) in all the cases by a notice in Tamil posted at the office of the panchayat and at such other places as the executive authority may deem fit;

(*b*) when the anticipated cost exceeds is Rs. 500 by advertisement in at least one newspaper circulating in the district.

(2) Every notice or advertisement published under sub-rule (1) shall state *inter alia*—

(*a*) the conditions under which, the officer from whom, and the price, if any, for which a copy of the schedule of quantities of the various kinds of articles can be obtained if these cannot be mentioned in detail in the notice or advertisement itself;

(*b*) the precise form in which the tender shall be made, that is, whether prices for the various articles are to be quoted and whether the comparative value of the tender will be examined with reference to each article mentioned in the schedule of quantities or for all such articles conjointly or for groups of such articles;

(*c*) when and where tenders are to be submitted, allowing a period of at least ten days from the date of publication of the notice at the office of the panchayat, or, in cases falling under clause (*b*) of sub-rule (1) of the first advertisement in a newspaper;

(*d*) when and where the tenders are to be opened;

(*e*) the amount of earnest money which should accompany the tender and the amount and nature of the security which will be required in case the tender is accepted;

(*f*) the authority competent to accept the tender;

(*g*) that the authority competent to accept the tender reserves the right to reject any or all the tenders received without assigning reasons; and

(*h*) that a tenderer who withdraws his tender without valid reasons (to be decided by the authority competent to accept the tender) shall be liable to have his subsequent tenders summarily rejected.

8. Nothing contained in these rules shall apply to the purchase of—

(i) stores purchased through the Indian Stores Department;

(ii) articles from the metal and timber works and factories started by the Government for the resettlement of ex-servicemen;

(iii) bulls for conservancy and other purposes;

(iv) controlled articles at controlled rates through a permit issued on the orders of Government or their agents; and

(v) petrol from standard firms for its distribution and supply or from their authorized agents at the rates for the time being in force.

9. Notwithstanding anything contained in the foregoing rules, the Revenue Divisional Officer may, for sufficient reasons, permit the panchayat to dispense with tenders in any particular case or class of cases, or condone the non-observance of any of the provisions contained in the said rules.

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## DELEGATION OF POWERS.

In exercise of the powers conferred by section 2 (12) of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), the Governor of Madras hereby authorizes the Collectors to exercise or perform the powers or duties of the Inspector under the following sections of the said Act, namely :—

| *Serial number.* | *Section of the Act.* | *Powers.* |
|---|---|---|
| (1) | (2) | (3) |
| 1 | 10 (1) proviso .. .. | Power to extend or reduce by such period not exceeding three months the term of office of members of any panchayat as a whole. |
| 2 | 11 (1) .. .. .. | Power to fix the date of election to vacancies of seats left unfilled at ordinary or casual elections. |
| 3 | 32 .. .. .. | Power to authorize by general or special order the Health Officer of a panchayat or if there is no such officer the Health Officer of the district to excercise the functions of executive authority. |
| 4 | 34 (8) (i) .. .. .. | Power to appiont engineering and other staff for panchayats and to recover the cost of such staff. |
| 5 | 36 proviso .. .. | Power to issue direction for submission of minutes of proceedings. |
| 6 | 38 (1) and (2) .. .. | Power to accord approval for amendments of regulations relating to proceedings of panchayats. |
| 7 | 39 (1) .. .. .. | Power to require a panchayat to join with one or more than one other local authority for the formation of a Joint Committee. |
| 8 | 40 (1) .. .. .. | Submission of administration reports to Government. |
| 9 | 42 (1) .. .. .. | Supervision of the administration of panchayats. |
| 10 | 47 (1), (2) and (3) .. | Power to remove President, vice-President or members. |
| 11 | 48 (5) .. .. .. | Power to appoint a person to exercise the powers and discharge the duties of the panchayat and of its President during the interval between the dissolution and reconstitution of a panchayat or during the period of its supersession. |
| 12 | 63 (3) .. .. .. | Power to sanction the levy of land cess, and tax on agricultural land. |
| 13 | 72 (1) .. .. .. | Power to sanction expenditure from panchayat funds for purposes outside the village, if the expenditure exceeds Rs. 100. |
| 14 | 72 (4) .. .. .. | Power to sanction expenditure from panchayat funds if the expenditure exceeds Rs. 100. |

| Serial number. | Section of the Act. | Powers. |
|---|---|---|
| (1) | (2) | (3) |
| 15 | 75 .. .. .. | Power to sanction or direct the making of contribution exceeding Rs. 100 towards the expenditure incurred by Government or by any other panchayat or the district board or by any other local authority in the State. |
| 16 | 82 (3) (*a*) .. .. | Power to issue certificate in regard to the right of levy of certain fees in markets. |
| 17 | 110 (1) .. .. .. | Power to accord sanction for filing suits against the president, the executive authority or a member of a panchayat for loss caused to the panchayat by neglect or misconduct. |
| 18 | 117 second proviso .. | To permit an officer or servant to enter into contract with the panchayat. |
| 19 | 132 (2) (*b*) .. .. | Power to appoint members to the panchayat court when the panchayat is under supersession or dissolution. |
| 20 | 132 (4) (*b*) .. .. | Power to remove from office the president, vice-president or member of any panchayat for misconduct, etc., while functioning as Panchayat court. |

[*Vide* G.O. No. 69, L.A., dated 11th January 1960.]

In exercise of the powers conferred by sub-section (1) of section 127 of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), and in supersession of the late Local Administration Department Notification No. 532, dated the 4th June 1951, published at page 296 of Part I-A of the *Fort St. George Gazette*, dated the 12th June 1951, the Governor of Madras hereby delegates to the Collectors the powers vested in the Government and specified in the schedule below :—

THE SCHEDULE.

| Section of the Act. | Powers. |
|---|---|
| 5 (1) (*a*) .. .. .. | Power to classify panchayats as Class I Panchayats. |
| 5 (2) .. .. .. | Power to alter the classification of a panchayat made under section 5 (1) (*a*). |
| 30 (*a*) proviso .. .. | Power to decide whether a resolution of the panchayat has not been legally passed or is in excess of the powers conferred, is likely to endanger human life or health or the public safety on a reference made by the executive authoruity. |
| 48 (1) and (3) .. .. | Power to dissolve or supercede panchayats. |
| 48 (5) .. .. .. | Power to determine the extent to which the president shall exercise the powers and discharge the duties of the panchayat during the period of dissolution or supersession. |
| 8 (6) .. .. .. | Power to fix the date of expiry of the term of office of members elected to panchayats reconstituted after dissolution or supersession. |

4

| Section of the Act. | Powers. |
|---|---|
| 65 (5) .. | Power to apportion profession tax—<br>(i) between a panchayat and any other local authority not being a panchayat ; and<br>(ii) among two or more panchayats within the jurisdiction of two or more Regional Inspectors. |
| 78 .. .. .. | Power to require persons having control over places of pilgrimage to make contribution towards festival arrangements. |
| 81 (2) .. .. .. | Power to decide whether a market falls within the scope of the proviso to section 81 (1) or not. |
| 83 .. .. .. | Power to decide whether any place is a market or not. |
| 86 .. .. .. | Power to classify public and private markets situated in a village as district markets and panchayat markets and provide for the control of any such market and for the apportionment of the income derived therefrom between the district board and the panchayat or the payment of a contribution in respect thereof to the panchayat or district board as the case may be. |
| 93 (3) .. .. .. | Power to issue orders or directions in respect of any action taken or omitted to be taken under section 91 or section 92. |
| 106 .. .. .. | Power to accord previous sanction for the prosecution of thePresident or executive authority or any member of a panchayat. |
| 130 .. .. .. | Power to adjudicate disputes—<br>(i) between a panchayat and any other local authority not being a panchayat ; and<br>(ii) among two or more panchayats within the jurisdiction of two or more Regional Inspectors. |

(*Vide* G.O. No. 70, L.A., dated 11th January 1960.)

## *Revenue Divisional Officers.*

In exercise of the powers canferred by section 144 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby appoints the Revenue Divisional Officers to be officers for the purpose of inspecting and superintending the operations of all the panchayats within their respective jurisdictions.

(*Vide* G.O. No. 71, L.A., dated 11th Januray 1960.)

## ADVISORY COMMITTEES.

In exercise of the Powers conferred by sub-section (2) of section 2 of the Madras Districts Boards (Amendment) Act, 1957 (Madras Act XIII of 1957) and in supersession of the orders issued in G.O. No. 489, L.A., dated the 19th March 1958, the Governor of Madras hereby appoints, for the purpose of advising the Special Officers of every District Board appointed under sub-section (1) of the said section in the discharge of his duties and functions under sub-clause (*a*) of clause (ii) of the said sub-section, one Advisory Committee to function in respect of the area comprising each of

the districts constituted under sub-section (2) of section 3 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958), and published with Rural Development and Local Administration Department, Notification S.R.O. No. B-1124 of 1959 at pages 2 and 3 of Part I-A Extraordinary issue of the *Fort St. George Gazette*, dated the 30th November 1959 and within the jurisdiction of the District Board concerned, and directs—

(i) that the Advisory Committee shall consist of all the members of the District Development Council constituted for the district concerned under sub-section (1) of section 4 of the Madras District Development Councils Act, 1958 (Madras Act XVIII of 1958) :—

(ii) that the Special Officer concerned shall be the *ex officio* chairman of the Advisory Committee of that district.

(G.O. No. 72, L.A., dated 12th January 1960.)

In exercise of the powers conferred by sub-section (2) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby appoints the officers mentioned in column (1) of the Table below to exercise the powers and perform the duties of the Inspector under the sections of the said Act mentioned in the corresponding entry in column (2) thereof, generally or in respect of panchayat union councils or panchayats as specified in the corresponding entry in column (3) of the said Table :—

| (1) | (2) | (3) |
|---|---|---|
| 1 Development Commissioner. | Sections 3 (2), 6, 16 and 60 (1) .. | Generally. |
| 2 Additional Dvelopment Commissioner. | Sections 19 (1), 19 (2), 19 (4), 19 (6), 28 (1), 49 proviso, 51 (1), 51 (2), 139 (1), 139 (4), 145 (1), 146 (1), 147, 148, 149, 173 and 180 (1). | In respect of panchayat union councils. |
| 3 Collector .. .. | Sections 3 (1), 3 (4), 8, 10 (1), 10 (2), 15, 17 (1), 17 (3) (*c*).., 18 (1), 28 (1), 34 (3), 49 proviso, 51 (1), 51 (2), 52 (1), 57 (3), 99 (1), 99 (2), 100 (2) (*d*), 100 (3) (*a*), 119 (3), 139 (1), 139 (4), 140 (3), 142, 145 (1), 146 (1), 147, 148, 149, 150 (1), 150 (2), 150 (12), 152 (13), 173, 180 (1), 188 (2), and 188 (3). | In respect of panchayats. |

Under sub-section (1) of section 157 of the Madras Panchayats Act, 1958, the Government may, by notification, authorize any authority or officer not below the rank of a Collector to exercise in regard to any panchayat, or any class of panchayats or all panchayats in any area, or in regard to any Panchayat Union Council, or any class of Panchayat Union Councils in any area any of the powers vested in them by the Act except the power to make rules. The Government have decided that the powers vested in them and

specified in Appendix I to this order shall be exercised by them and not by any outside authority, and that the powers specified in Appendix II to this order shall be delegated to the officer or officers mentioned therein.

## Appendix I.

*Powers under the Madras Panchayats Act,* 1958, *vested in the Government and retained with Government.*

| *Section of the Act.* (1) | *Nature of powers.* (2) |
|---|---|
| 1 (3) .. .. .. | Power to appoint date or dates for bringing into force different provisions of the Act. |
| 2 (15) .. .. .. | Power to appoint any officer to exercise or perform any of the powers or duties of the Inspector under the Act. |
| 4 .. .. .. | Power to declare villages or towns to be townships. |
| 5 (1) and (2) .. .. | Power to constitute panchayat towns into municipalities. |
| 5 (3) .. .. .. | Power to pass orders for the transfer to the council of a municipality constituted under sub-sections (1) and (2) of section 5 of the assets and liabilities of the panchayat concerned. |
| 7 .. .. .. | Power to form panchayat unions. |
| 11 .. .. .. | Power to constitute Panchayat Union Councils. |
| 19 (2) Proviso .. .. | Power to direct the postponement or alteration of the date of an ordinary election or any stage thereof. |
| 23 (2) .. .. .. | Power to decide disqualifications of officers and servants of Government and local bodies. |
| 53 (1) (*b*) .. .. | Power to require a Panchayat Union Council to constitute committees. |
| 55 (4) .. .. .. | Power to direct the manner of publication of administration reports of Panchayat Union Councils. |
| 60 .. .. .. | Power to direct any Panchayat or Panchayat Union Council to provide for the lighting of public roads and public places and to make provision for the cost involved. |
| 73 .. .. .. | Control regarding transfer and resumption of endowments and inams. |
| 111 .. .. .. | Power to specify by notification the purposes which are likely to be offensive or dangerous to human life or health or property. |
| 113 (3) .. .. .. | Power to make orders or to issue directions in respect of any action taken or omitted to be taken by a Panchayat Union Council or a town panchayat under section 111 or section 112 of the Act. |
| 124 (1) (*b*) .. .. | Power to fix the rate of duty or transfer of property. |
| 130 .. .. .. | Power to classify Panchayat Development Blocks. |
| 139 (3) .. .. .. | Power to accord sanction for payment of contribution by a panchayat or Panchayat Union Council to any fund for the defence of India. |
| 141 .. .. .. | Power to appoint auditors of the accounts of Panchayats and Panchayat Union Councils. |
| 144 .. .. .. | Power to appoint inspecting and superintending officers in respect of panchayats and Panchayat Union Councils. |
| 155 (1) .. .. | Power to dissolve a panchayat Union Council, if it is not competent to perform or persistently makes default in performing the duties imposed on it by law or exceeds or abuses its powers and to direct its reconstitution. |

| Section of the Act. (1) | Nature of powers. (2) |
|---|---|
| 155 (5) .. .. .. | Power to fix the date of expiry of the term of office of members elected to a Panchayat Union Council reconstituted after dissolution. |
| 169 (1) and (2) .. .. | Power to accord previous sanction for prosecution of president or executive authority of a panchayat, the chairman or vice-chairman of a Panchayat Union Council or the Commissioner or a member of a Panchayat or Panchayat Union Council and to issue directions under sub-section (2) of section 169. |

## APPENDIX II.

In exercise of the powers conferred by section 157 (1) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby authorizes the Development Commissioner, Madras, to exercise in regard to all Panchayats and Panchayat Union Councils in the State, the following powers vested in the Government by the said Act :—

| Section of the Act. (1) | Nature of powers. (2) |
|---|---|
| 3 (3) .. .. .. | Power to dispose of appeals against notifications under sub-section (1) or sub-section (2) of section 3 of the Act regarding classification and declaration of local areas as Panchayat towns and Panchayat villages. |
| 9 (1) .. .. .. | Power to alter any classification of a local area as a Panchayat town or a Panchayat village notified under section 3 (1) of the Act. |
| 17 Proviso to sub-section (2) | Power to direct or permit the holding of any ordinary election after the occurrence of the vacancy. |
| 20 (2) .. .. .. | Power to direct the manner of publication of the electoral rolls of Panchayat. |
| 20 (4) .. .. .. | Power to direct the manner of re-arrangement and re-publication of the electoral rolls for the Panchayat or and part of such roll. |
| 21 .. .. .. | Power to direct the manner of publication of amendments to the electoral roll of any Panchayat. |
| 101 .. .. .. | Power to decide the question whether a place is a market or not. |
| 104 .. .. .. | Power to classify public and private markets as Panchayat Union markets and Panchayat markets and to provide for the control of any such market and for the apportionment of the income therefrom between the Panchayat Union Council and the Panchayat or the payment of a contribution in respect thereof to the Panchayat or the Panchayat Union Council as the case may be |
| 125 .. .. .. | Power to grant exemption from payment of any surcharge or tax specified in the Act in any particular case |
| 128 .. .. .. | Annual payment of Local Education Grant to every Panchayat Union Council. |
| 136 .. .. .. | Decision regarding the contribution from the Panchayat Union (General) Fund to the Panchayat Union (Education) Fund. |
| 140 (6) .. .. .. | Power to pass orders on Panchayat Union Budgets. |
| 140 (7) .. .. .. | Power to issue instructions on Audit Reports on the accounts of the Panchayat Union (Education) Fund. |

In exercise of the powers conferred by sub-sections (1) and (4) of section 157 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby authorizes the Additional Development Commissioner, Madras, to exercise the following powers vested in the Government by the said Act and direct that the exercise of the powers hereby delegated to the Additional Development Commissioner, Madras, shall be subject to control and revision by the Development Commissioner.

| *Section of the Act.* (1) | *Nature of powers.* (2) |
|---|---|
| 57 (3) .. .. .. | Power to fix or alter the number, designations and grades and the salaries, fees and allowances of officers and servants of Panchayat Union Councils and accord previous sanction to any Panchayat Union Council to vary the number, designations, grades, salaries, fees or allowances as fixed or altered in pursuance of the said Act. |
| 60 (2) .. .. .. | Power to transfer any officer or servant of a Panchayat Union Council to the service of any other Panchayat Union Council or any Municipality in the State. |
| 121 (5) .. .. .. | Power to apportion profession tax between one local authority having jurisdiction in one revenue district and another local authority having jurisdiction in another revenue district. |
| 139 (1) .. .. .. | Power to issue special orders regarding expenditure from the funds of Panchayat Union Councils within the Panchayat Development Block. |
| 151 (1), (2) and (12) .. | Power to remove chairman or vice-chairman of a Panchayat Union Council for wilful omission or refusal to carry out or for disobedience of the provisions or the Act, rules, etc., or for abuse of powers vested in him. |
| 153 (13) .. .. .. | Power to remove chairman or vice-chairman of a Panchayat Union Council, if a motion of no-confidence against him is carried with the support of not less than two thirds of the sanctioned strength of the Panchayat Union Council. |
| 177 (1) .. .. .. | Power to adjudicate disputes between one local authority having jurisdiction in one revenue district and another local authority having jurisdiction in another revenue district. |

In exercise of the powers conferred by sub-sections (1) and (4) of section 157 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby authorizes the Collector to exercise the following powers vested in the Government by the said Act and directs that the exercise of the powers hereby delegated to the Collector shall be subject to control and revision by the Development Commissioner.

| *Section of the Act.* (1) | *Nature of powers.* (2) |
|---|---|
| 40 (1) .. .. .. | Power to appoint a whole time executive officer for Town Panchayat. |
| 60 (2) .. .. .. | Power to transfer any officer or servant of a Panchayat Union Council to the service of any other Panchayat Union Council or any Municipality within the district. |

| Section of the Act. (1) | Nature of powers. (2) |
|---|---|
| 76 (2) .. .. .. | Power to exclude from the operation of the Act any public road, sewer, drain, etc., vested in a Panchayat. |
| 77 (2) .. .. .. | Power to exclude from the operation of the Act any Panchayat Union road, sewer, drain, etc. |
| 78 .. .. .. | Power to require a Panchayat to make provision for watering, etc., of public roads excluded from the operation of the Act. |
| 83 .. .. .. | Declaration of any property or income as communal property or income for being vested in a Panchayat. |
| 84 (2) .. .. .. | Power to define or limit control over public water courses, springs, etc., or assume the administration of any public source of water supply, etc. |
| 85 .. .. .. | Power to transfer to a Panchayat or Panchayat Union Council the protection and maintenance of any irrigation work, the management of turns or irrigation or the regulation of distribution of water from any irrigation work to the fields depending on it. |
| 86 .. .. .. | Power to authorize a Panchayat to regulate the use of poramboke. |
| 90 .. .. .. | Power to require persons having control over places of pilgrimage to make contributions to the funds of a Panchayat. |
| 118 .. .. .. | Payment of Land Revenues Assignment to each Panchayat Union Council. |
| 121 (5) .. .. .. | Power to apportion profession tax between local authorities in the same revenue district. |
| 129 .. .. .. | Payment of Local Cess Surcharge Matching Grant every year to each Panchayat Union Council. |
| 131 .. .. .. | Payment of Local Roads Grant every year to every Panchayat Union Council. |
| 132 .. .. .. | Payment of Village Houses Tax Matching Grant to Village Panchayats. |
| 139 (1) .. .. .. | Power to issue special orders regarding expenditure from the funds of Village Panchayats or Town Panchayats within a Panchayat village or Panchayat town. |
| 140 (3) .. .. .. | Power to modify Panchayat Union Budget. |
| 143 .. .. .. | Power to issue directions for the recovery of loans and advances made by Government. |
| 154 .. .. .. | Power to dissolve a Panchayat if it is not competent to perform or persistently makes default in performing the duties imposed on it by law or exceeds or abuses its power and to direct its reconstruction. |
| 154 (5) .. .. .. | Power to pass orders as to the transfer to a Panchayat from the Panchayat Union Council of the assets and liabilities or institutions which were acquired by the latter during the period of dissolution on behalf of the former. |
| 154 (6) .. .. .. | Powers to fix the date of expiry of the term of office of members elected to a Panchayat reconstituted after dissolution. |
| 177 (1) .. .. .. | Power to adjudicate disputes between local authorities within the same revenue district. |

(G.O. Ms. No. 76, L.A., dated 12th January 1960.)

## OFFICERS TO EXERCISE OR PERFORM THE POWERS OF DUTIES OF INSPECTOR--AMENDMENT TO G.O. No. 75, L.A., DATED 12TH JANUARY 1960.

NOTIFICATION.

In exercise of the powers conferred by clause (15) of section 2 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following amendment to the Rural Development and Local Administration Department Notification S.R.O. No. B-86 of 1960, dated the 12th January 1960, published at page 2 of Part I-A of the *Fort St. George Gazette* Extraordinary, dated the 13th January 1960 :—

AMENDMENT.

In the said notification, in the entries in column (2) of the Table against items 2 and 3, for the figures and brackets " 146 (1) ", the figures " 146 " shall be substituted.

**(G.O. No. 288; R.D. & L.A.; dated 1st February 1961.)**

## DEVELOPMENT COMMISSIONER, ADDITIONAL DEVELOPMENT COMMISSIONER AND COLLECTOR APPOINTED TO EXERCISE POWERS AND PERFORM DUTIES OF INSPECTOR UNDER THE ACT—NOTIFICATION—MODIFIED.

NOTIFICATION.

In exercise of the powers conferred by clause (15) of section (2) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following amendments to the Rural Development and Local Administration Department Notification S.R.O. No. B-86 of 1960, dated the 12th January 1960, published at page 2 of Part I-A of the *Fort St. George Gazette* Extraordinary, dated the 13th January 1960, namely :—

AMENDMENTS.

In the Table under the said notification—

(i) in the entries in column (2) against item 2 Additional Development Commissioner in column (1), after the figures and brackets " 51 (2) ", the figures and brackets " 99 (1) " shall be inserted.

(ii) in the entries in column (2) against item 3 Collector in column (1), the figures and brackets " 99 (1) " shall be omitted.

# RULES—MADRAS PANCHAYATS ACT, 1958—ISSUE OF—POSITION—CLARIFIED.

Section 178 of the Madras Panchayats Act, 1958 provides for the issue of rules by the Government on various matters in addition to the rule making powers conferred on them by other provisions of the Act. The first batch of rules relating to Panchayat Union Councils have been issued in G.O. No. 1677, L.A., dated the 8th October 1960. The Government have considered the question of issuing rules or instructions on the subjects mentioned in column (2) of the appendix, but they have decided not to do so for the reasons explained in column (3) thereof.

2. It will be noticed that the Act empowers the Government to issue rules under various sections of the Act and also on various matters specified in section 178 of the Act, but it is not obligatory on the part of the Government to issue rules on all matters. The legal position is that if rules are issued on certain matters the action taken thereon should be in conformity with those rules; but if no rules are issued, the power to take action is still there and how exactly to proceed is left to the good sense of the Panchayat Union Council. The intention of the Government is to leave such things to local initiative watch the results; and to frame rules only when experience discloses a clear advantage in doing so.

## APPENDIX.

| *Section of the Madras Panchayats Act. 1958.* | *Subject of the proposed rule.* | *Reasons for dropping the proposal to issue rules.* |
|---|---|---|
| 40 (6) | Regulations relating to recruitment, pay and allowances, etc., of Executive Officers of Panchayats. | The constitution of a Government service for Executive Officers of Panchayats has been orderd in G.O. 1506, L.A., dated 8th September 1960. The question of issuing rules relating to the recruitment, pay and allowances, etc., of Executive Officers is under consideration. Hence it was considered unnecessary to issue any regulations on the subject. |
| 58 (1) | Sanctioning of posts in the Public Health establishment. | It was considered unnecessary to impose any restrictions or conditions on the exercise by the Collector of the powers of the Inspector under section 57 (3) of the Madras Panchayats Act, 1958. |
| 63 | Prescribing the maximum and minimum limits of expenditure that could be incurred by Panchayats. | It was considered undesirable and unnecassary to prescribe any maximum and minimum limits of expenditure. It was also considered that outside control by officials over the non-official bodies in such matters was unnecessary. |

| *Section of the Madras Panchayats Act, 1958.* | *Subject of the proposed rule.* | *Reasons for dropping the proposal to issue rule.* |
|---|---|---|
| 65 | Direct expenditure on Health and Baby Week Celebrations. | Under the Madras Panchayats Act, 1958, it is the duty of the Panchayat Union Councils to establish and maintain maternity and child welfare centres. It was considered unnecessary to obtain outside sanction for incurring of expenditure on Health and Baby Week Celebrations. |
| 70 | Common institutions to be maintained by two or more Panchayat Unions. | It was considered unnecessary to issue a rule at present. It was also considered that the question of issuing rules might be taken up if Panchayat Union Councils come forward to maintain common institutions. |
| 126 | Collection of taxes and fees by staff of Land Revenue Department. | In view of the orders issued in G.O. No. 644, Rural Development, dated 9th August 1960 specifying the duties to be performed by village officers on behalf of Panchayat Unions and Panchayats and the payment of Panchayat Development Allowance to them, it was considered unnessary to issue any rule on the subject. |
| 138 and 139. | Earmarking of funds by Panchayats. | Taxes are levied under the Madras Panchayats Act, 1958, for sepcific purposes. It was considered that the question of diverting the proceeds of earmarked funds for other purposes might not arise. |

(Memorandum No. 9187, L2/61-1, L.A., R.D. & L.A. dated 7th February 1961.)

## PANCHAYAT UNION COUNCILS—ENTRUSTMENT UNDER SECTION 66 OF THE MADRAS PANCHAYATS ACT—TIME SCHEDULE—PRESCRIBED.

Section 66 of the Madras Panchayats Act, 1958, lays down that

"The Government shall as soon as may be after the constitution of a Panchayat Union Council for a Panchayat Development Block under this Act entrust to the Panchayat Union Council subject to such conditions and restrictions as may be specified by the Government the execution in the Panchayat Development Block of the National Extension Service Scheme of Community Development, including in particular, all measures relating to the development of agriculture, animal husbandry and village industries organized on an individual or co-operative basis."

2. The implementation of the Third National Five-Year Plan will begin on 1st April 1961. It is therefore, appropriate at this stage in pursuance of the above objectives of the Act, that the elected representatives of the local people in each block should be

invited not only to manage the work hitherto discharged by the District Boards but also to take over the Block Development work in a planned manner, that is to carve out their share of the plan and fulfil it.

3. In G.O. Ms. No. 664, dated 16th August 1960, the State Government have accepted the broad frame work of the Panchayat Development Schemetic Budget formulated therein. The State Government have also directed that it should be a condition of entrustment (under section 66 of the new Panchayat Act) of the execution of the National Extension Service Scheme of Community Development to the Panchayat Union constituted for any Panchayat Development Block, that the Panchayat Union should in association with all the Panchayats of the Block, prepare a five-year budget, which may be referred to as the Panchayat Development Schematic Budget for the Block for the third Plan period (viz., 1961–62 to 1965–66). This budget should furnish estimates of financial resources to be made available to all the funds maintained by the Panchayat Union and the Panchayats with details for all the items specified in the Panchayat Development Schematic Budget The budget should be framed in accordance with the procedure prescribed and it should be discussed and adopted by the Panchayat Union and the Panchayats concerned in respect of the parts relating to them. In G.O. No. 211, Rural Development and Local Administration, dated 25th January 1961, orders have been issued detailing instructions for formulating for each block a Block Schematic Budget, for the Third Plan period. The District Collector should scrutinize the Block Schematic Budget so prepared with reference to its conformity to the Panchayat Development Schematic Budget of the State and the instructions issued in the Government Order cited above and accord his approval in token of his verification of such conformity. It should also be ensured that the Panchayat Union Council, by a resolution accepts the responsibility for mobilizing the necessary resources which are expected to be raised by way of matching contributions within the financial frame work laid down in G.O. No. 664, dated 16th August 1960 and detailed instructions issued in G.O. No. 211, Rural Development and Local Administration, dated 25th January 1961.

4. In order to enable the Panchayat Unions already constituted and to be constituted on 13th April 1961 and 2nd October 1961 to proceed to formulate the Block Schematic Budgets and forward them to the Collectors as a preliminary to entrustment of the execution of National Extension Service Scheme of Community Development the Government fix the following time schedule for entrustment :—

I batch of Panchayat Unions—1st April 1961.

II batch of Panchayat Unions—1st July 1961.

III batch of Panchayat Unions.—1st January 1962.

(G.O. Ms. No. 588, R.D. & L.A.; dated 2nd March 1961)

PANCHAYAT UNION COUNCILS—ENTRUSTMENT OF NATIONAL EXTENSION SERVICE SCHEME OF COMMUNITY DEVELOPMENT UNDER SECTION 66 OF THE MADRAS PANCHAYATS ACT—ENTRUSTMENT TO FIRST BATCH OF PANCHAYAT UNIONS—ORDERS ISSUED.

In G.O. Ms. No. 588, Rural Development and Local Administration, dated the 2nd March 1961, the Government prescribed the time schedule for the entrustment of the execution of National Extension Service Scheme of Community Development to the Panchayat Unions. Accordingly the entrustment will take place to the three batches of Panchayat Unions as indicated below :—

I batch of Panchayat Unions.—1st April 1961.

II batch of Panchayat Unions.—1st July 1961.

III batch of Panchayat Unions.—1st January 1962.

2. In paragraph 3 of the Government Order it was laid down that the Panchayat Union Council should by a resolution accept the responsibility for mobilizing the necessary resources which are expected to be raised by way of matching contribution, within the financial frame work laid down in G.O. Ms. No. 664, R.D. and L.A., dated 16th August 1960 and detailed instructions issued in G.O. No. 211, R.D. and L.A., dated 25th January 1961. Subject to the Union Councils passing this resolution, the Government hereby direct that the execution of the National Extension Scheme of Community Development be entrusted to the first batch of Panchayat Unions (indicated in the Annexure I to this Government Order) with effect from 1st April 1961.

3. It was also laid down in paragraph 3 of G.O. No. 588, RD and LA, dated 2nd March 1961 that the entrustment under section 66 of the Madras Panchayats Act, 1958, was subject to the condition that the Panchayat Union should in association with all the Panchayats of the Block prepare a five-year budget which may be referred to as the Panchayat Development Schematic Budget for the Block for the Third Plan period (viz., 1961–62 to 1965–66). The detailed instructions for the formulation of this Budget was issued in G.O. No. 211, RD and LA, dated 25th January 1961. Therefore, the entrustment is only with reference to the items found in the Panchayat Development Schematic Budget. The loan provision in the Community Development Programme is not, therefore, entrusted to the Panchayat Unions for disbursement. This will continue to be done by the Panchayat Union Commissioner in his capacity as a Block Development Officer and will not be subject to the purview of the Panchayat Union Coucil. Similarly the provision regarding the rural arts and crafts in the Community Development Schematic Budget has been excluded from the Panchayat Development Schematic Budget for the present, pending the issue, in due

course, by the State Khadi and Village Industries Board of a detailed programme directives on the execution of the Khadi and Village Industries programme in the Blocks. The Primary Health Centre provision has not been included in the Panchayat Development Schematic Budget and therefore this will continue to be maintained by the State Government.

4. After excluding the above items, the Community Development Block Schematic Budget has been modified and enlarged and this modified and enlarged programme is now entrusted to the Panchayat Union Councils for execution. The correlation between the Panchayat Development Schematic Budget and the Community Development Block Schematic Budget was explained in G.O. No. 664, dated 16th August 1960 and in G.O. No. 211, dated 25th January 1961. It is further explained in the Annexure II to this order.

5. The Government also direct as a condition of such entrustment that the execution of all programmes at the Village Level be undertaken by the Panchayat Union through the agency of the Panchayats.

6. The attention of all the Panchayat Union Councils is invited to the proviso of section 44 (5) of the Act :—

" Provided that where such directions relate to any National Extension Service Scheme of Community Development or any other scheme specially entrusted by the Government to the Panchayat Union Council the directions issued by the Council shall be in conformity with the terms and conditions of such entrustment ".

The Councils are, therefore, directed to frame their five-year programmes as well as their annual programmes in accordance with the various orders issued from time to time by various Departments of the Government in regard to the execution of the Community Development Programme.

7. The receipt of this order should be acknowledged by the Collectors and Heads of Departments only.

## Annexure I.

*North Arcot district.*

1 K. V. Kuppam.
2 Arcot.
3 Kalasapakkam.
4 Arni.
5 Thurinjapuram.
6 Vembakkam.
7 Polur.

*South Arcot district.*

8 Melmalayanur.
9 Ginjee.
10 Thirunavalur.
11 Panruti.
12 Orathur.
13 Kallakurichi.
14 Chinnasalem.

*Chingleput district.*

15 Thirukalikundarm.
16 Uthiramerur.
17 Sriperumbudur.
18 Poonamallee.
19 Thiruvallur.
20 Kadambathur.

*Coimbatore district.*

21 Gobichettipalayam.
22 Satyamangalam.
23 Perundurai.
24 Erode.
25 Perianaickenpalayam.
26 Avanashi.
27 Palladam.
28 Tiruppur.

*Madurai district.*

29 Vadipatti.
30 Alanganallur.
31 Madurai East.
32 Madurai West.
33 Melur I.
34 Usilampatti.
35 T. Kallupatti.
36 Tirumangalam.

*The Nilgiris district.*

37 Ootacamund.

*Ramanathapuram district.*

38 Singampuneri.
39 Tiruvadanai.
40 Paramakudi.
41 Kamuthi.
42 Srivilliputhur.
43 Sivakasi.
44 Kariapatti.

*Salem district.*

45 Hosur.
46 Kaveripatnam.
47 Krishnagiri.
48 Dharmapuri.
49 Kolathur.
50 Peddanaickenpalayam.
51 Namagiripet.
52 Gangavalli.
53 Edappadi.

*Thanjavur district.*

54 Thiruthuraipundi.
55 Vedaranyam.
56 Mayuram.
57 Sirkali.
58 Kivalur.
59 Pattukottai.
60 Kumbakonam.
61 Papanasam.

*Tiruchirappalli district.*

62 Thottiam.
63 Musiri.
64 Lalgudi.
65 Veppanthattai.
66 K. Paramathi.
67 Kulithalai.
68 Thiruvarankulam.

*Tirunelveli district.*

69 Tuticorin.
70 Koilpatti.
71 Sankarankoil.
72 Kuruvikulam.
73 Cheranmahadevi.
74 Pappakudi.
75 Manur.

## ANNEXURE II.

*Correlation between Stage I and Stage II Community Development Schematic Budget and Panchayat Development Schematic Budget.*

1. *Block headquarters.*—(1) There is a provision of Rs. 3·15 lakhs in Stage I and 0·85 lakh in Stage II for this purpose in the Community Development Block Budgets. The Panchayat Development Schematic Budget makes no provision for this as the entire expenditure is to be met by the State Government. The extension establishment, initial office equipment, seed store, office building, etc., are provided by the Government, free of cost, to the Panchayat Union Council.

(2) *Agriculture, Animal Husbandry, Irrigation and Reclamation.*—(i) A loan provision of Rs. 3 lakhs in the first stage and 0·75 lakh in the second stage are available. This loan provision, increased by additional amounts that may be made available by the State Government will continue to be available in the Blocks and will be distributed by the Block Development Officer. *This provision is not entrusted to the Panchayat Unions.* No subsidy will be paid along with any of the loans.

(ii) A provision of Rs. 90,000 in the first stage and Rs. 60,000 was available in the second stage as the grant provision. Now it is proposed to make available Rs. 2 lakhs during the five years of Third Plan irrespective of the stage of the Block. *This provision is entrusted to the Panchayat Union.* Attention in this connection is invited to paragraphs 43 to 47 of Anexure II to G.O. No. 664, dated the 16th August 1960 and to paragraphs 8–10 of G.O. No. 211, dated the 25th January 1961. Of these 2 lakhs one lakh is to be made available for maitenance of Grama Sahayak Service, supply of plant protection equipment and other purposes to be specified from time to time and this one lakh of rupees is a non-matching grant. The other one lakh of rupees is to be matched by a contribution of one-third of the expenditure and is to be utilized on purposes, mentioned in paragraph 45 of the Government Order No. 664.

(iii) Other schemes not specifically mentioned in the above Government Orders but included in the model pogrammes in Agriculture and Animal Husbandry, prescribed in G.O. No. 600 (P-2), dated 26th July 1960, will be included in the other purposes mentioned in that paragraph.

(3) *Health and Rural Sanitation.*—A sum of Rs. 1·15 lakhs is available in Stage I of the Block Budget and Rs. 0·50 lakh in Stage I. Out of Rs. 1.15 lakhs Rs. 0.40 lakh is for Primary Health Centre. *The Primary Health Centre is not entrusted to the Panchayat Union.* The Government will establish and maintain Primary Health Centres. The balance of Rs. 0·75 lakh was available for water-supply and drainage in the first stage and 0·50 lakh in the second stage. The Panchayat Development Schematic Budget takes this into account and *this programme is entrusted to the Panchayat Unions.* This is further explained in paragraph 4 below.

(4) *Communications.*—There is provision for 0·85 lakh in the first stage and 0·50 lakhs in the second stage of the Community Development Budget. Taking the water-supply, rural sanitation and communications together, there is a provision for Rs. 1·60 lakhs in the first stage and Rs. 1·00 lakh in the second stage of the Community Development Budget.

2. In addition to this, the State Government have made plan provision for Local Development Works (which is now permitted in Stage II Block), Rural Water-supply Comprehensive Scheme and Five-Year Plan Road Schemes. Pooling all these amounts together a provision not execeeding Rs. 4 lakhs and not lower than Rs. 2 lakhs is made in the Panchayat Union Schematic Budget, for these categories of Village Works jointly. The manner in which the allotment for each block is to be fixed within these limits has been explained

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fully in paragraphs 27–39 of Annexure II to G.O. No. 664, dated the 16th August 1960 and paragraphs 38 and 39 of Annexure to G.O. No. 211, dated the 25th January 1961. *The entire provision including those for Rural Water-supply Compehensive Scheme, the Local Development Works Scheme in Stage II Blocks and the Five-Year Plan Road Schemes for rural roads are now entrusted to Panchayat Unions for execution along with the provisions of Rural Water-supply, Rural Sanitation and Communications in the Block Budgets.* However, in view of the priorities laid down by the National Development Council and Planning Commission, Rural Water-supply and link roads should be completely provided before sanitation works can be taken up.

3. *The National Water-supply and Sanitation Scheme is not entrusted to the Panchayat Unions and will continue* to be executed by the State Government.

4. *Education.*—The Block Budget provides Rs. 45,000 in Stage I and Rs. 42,500 in Stage II under this head after setting apart Rs. 15,000 and Rs. 7,500 respectively for women's programme. This is meant to be utilized for school equipment and school buildings. The Panchayat Development Schematic Budget makes a specific provision for school buildings separately for village works. The amount of allotment is not fixed uniformly for all blocks. It is to be fixed at the rate of Rs. 15 of Government contribution for building for every additional school place created. The provision for purchase of school equipment is separately taken care of in local education grant to be given to the Panchayat Unions.

5. *Social education.*—After setting apart Rs. 10,000 and Rs. 5,000 for women's programme, the Block Schematic Budget provides for Rs. 60,000 in Stage I and Rs. 45,000 in Stage II for Social Education. The Panchayat Union Schematic Budget carries a parallel provision. This again, is not an identical amount for all blocks, but fixed at the rate of Re. 0·50 *per capita* for this purpose for five years. This amount will be utilized for those programmes which are prescribed in Part II of the G.O. No. 488, Rural Development, dated 21st June 1960.

6. *Women's and Children's Welfare Programme.*—Against Rs. 40,000 in Stage I and Rs. 20,000 in Stage II a sum of Rs. 27,000 will be available for each Union irrespective of the stage of the block. This provision is exclusive of amounts that may be made available on account of subsidiary employment programme for women as well as for Family Planning.

7. *Rural Arts, Crafts and Industries.*—The entire provision is to be channelized through the State Khadi and Village Industries Board. The provisions in the Block Budgets Stage I and II along with such additional funds as may be made available by the State Khadi and Village Industries Board will be utilized for this purpose. Pending the formulation of detailed schemes by the State Board *this programme is not entrusted at present to the Panchayat Unions.*

8. *Housing for Project staff and Rural Housing.*—This is now mainly utilized for building staff quarters. This will continue to be done by the Government. *This programme is, therefore, not entrusted to the Panchayat Union.*

(G.O, Ms. No. 838, R.D. & L.A.; dated 21st March 1961.)

## ACT—MADRAS PANCHAYATS ACT, 1958—OFFICERS TO EXERCISE OR PERFORM THE POWERS OR DUTIES OF THE INSPECTOR—APPOINTED.

In modification of the orders issued in G.O. No. 75, L.A., dated the 12th January 1960, the Government have decided that under section 2 (15) of the Madras Panchayats Act, 1958, the Additional Development Commissioner, Madras and the Collector of the district concerned should be appointed as "Inspector" to exercise the powers and perform the duties of Inspector in respect of the matters referred to in the Annexure to this order.

2. Under section 158 (2) of the Madras Panchayats Act, 1958, the Government empower the Chief Secretary to the Government to exercise the powers of the nature referred to in sub-section (1) of the said section.

ANNEXURE.

NOTIFICATION.

Under clause (15) of section 2 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), and in supersession of the Rural Development and Local Administration Department (Local Administration) Notification S.R.O. No. B-186 of 1960, dated the 12th January 1960, published at page 2 of Part I-A of the *Fort St. George Gazette*, Extraordinary, dated the 13th January 1960, as subsequently amended, the Governor of Madras hereby appoints the officers mentioned in column (1) of the Table below to exercise the powers and perform the duties of the Inspector under the provisions of the said Act mentioned in the corresponding entries in column (2) of the said Table, generally or in respect of panchayat union councils or panchayats as specified in the corresponding entries in column (3) thereof:—

TABLE.

| *Officers.* | *Provisions.* | *Panchayats or Panchayat union Councils.* |
|---|---|---|
| (1) | (2) | (3) |
| 1. Additional Development Commissioner. | (*a*) Sections 19 (1), 19 (2), 19 (4), 19 (6), 28 (1) 49, 51 (1), 52 (2), 55 (3), 99 (1), 99 (2), 100 (3), (d), 100 3 (a) and (b), 139 (1), 139 (4), 142, 145 (1), 146, 147, 148, 149, 155 (4), 156, 158, 173, 180 (1) and Rule 14 of Schedule IV. | Generally in respect of Panchayat Union Councils. |
| | (*b*) Secions 3 (2), 6 and 16 .. | Generally in respect of Panchayats. |
| 2. Collector .. .. | 3 (1), 3 (4), 8, 10 (1), 10 (2), 15, 17 (1), 17 (3), (c), 18 (1), 28 (1), 34 (3), 49, 51 (1), 51 (2), 52 (1), 57 (3), 99 (2), 100 (2) (d), 100 (3) (a) and (b), 106 (b), 139 (1), 139 (4), 140 (3), 142, 145 (1), 146, 147, 148, 149, 150 (1), 150 (2), 150 (11), 150 (12), 152 (12), 152 (13), 156, 158, 173, 180 (1), 188 (2), 188 (3), and Rule 7 (2) of Schedule IV. | In respect of Panchayats. |

(G.O. P. No. 1334, R.D. & L.A., dated 10th May 1951).

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# DELEGATION—MADRAS PANCHAYATS ACT, 1958—CERTAIN POWERS VESTED IN GOVERNMENT—MADE TO DEVELOPMENT COMMISSIONER, ADDITIONAL DEVELOPMENT COMMISSIONER AND DISTRICT COLLECTOR—ORDERS MODIFIED.

The appended notifications will be published in the *Fort St. George Gazette.*

## Appendix.

### NOTIFICATION I.

In exercise of the powers conferred by sub-section (1) of section 157 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby cancels the Rural Development and Local Administration Department (Local Administration) Notification S.R.O. No. B. 88 of 1960, dated the 12th January 1960, published at page 3 of the Part I-A of the *Fort St. George Gazette* Extraordinary, dated the 13th January 1960.

### NOTIFICATION II:

In exercise of the powers conferred by sub-sections (1) and (4) of section 157 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), and in supersession of the Rural Development and Local Administration Department (Local Administration) Notification S.R.O. No. B. 89 of 1960, dated the 12th January 1960, published at pages 3 and 4 of Part I-A of the *Fort St. George Gazette* Extraordinary, dated 13th January 1960, the Governor of Madras hereby authorizes the Additional Development Commissioner, Madras, to exercise the following powers vested in the Government by the said Act and directs that the exercise of the powers hereby delegated to the Additional Development Commissioner, Madras, shall be subject to the control and revision by the *Chief Secretary to the Government*:—

| *Section of the Act.* (1) | *Nature of powers.* (2) |
| --- | --- |
| 3 (3) .. .. .. | Power to dispose of appeals against notifications under sub-section (1) or sub-section (2) of the section 3 of the Act regarding classification and declaration of local areas as panchayat towns and panchayat villages. |
| 9 (1) .. .. .. | Power to alter any classification of a local area as panchayat town or a panchayat village notified under section 3 (1) of the Act. |
| 17 Proviso to sub-section (2). | Power to direct or permit the holding of any ordinary election after the occurrence of the vacancy. |
| 20 (2) .. .. .. | Power to direct the manner of publication of the electoral rolls of panchayats. |
| 20 (4) .. .. .. | Power to dirct the manner of re-arrangement and re-publication of the electoral rolls for the panchayat or any part of such roll. |
| 21 .. .. .. | Power to direct the manner of publication of amendments to the electoral rolls of any panchayat. |

| *Section of the Act.* (1) | *Nature of powers.* (2) |
|---|---|
| 57 (3) .. .. .. | Power to fix or alter the number, designations and grades and the salaries, fees and allowances of officers and servants of panchayat union councils and accord previous sanction to any panchayat union council to vary the number, designations, grades, salaries, fees or allowances as fixed or altered in pursuance of the said power. |
| 60 (2) .. .. .. | Power to transfer any officer or servant of a panchayat Union council to the service of any other panchayat union council or any municipality in the State. |
| 101 .. .. .. | Power to decide the question whether a place is a market or not. |
| 104 .. .. .. | Power to classify public and private markets as panchayat union markets and panchayat markets and to provide for the control of any such market and for the apportionment of the income therefrom between the panchayat union council and the panchayat or the payment of a contribution in respect thereof to the panchayat or the panchayat union council as the case may be. |
| 121 (5) .. .. .. | Power to apportion profession tax between one local authority having jurisdiction in one revenue district and another local authority having jurisdiction in another revenue district. |
| 125 .. .. .. | Power to grant exemption from payment of any surcharge or tax specified in the Act in any particular case. |
| 128 .. .. .. | Annual payment of Local Education Grant to every panchayat union council. |
| 136 .. .. .. | Decision regarding the contribution from the Panchayat Union (General) Fund to the Panchayat Union (Education) Fund. |
| 139(1) .. .. .. | Power to issue special orders regarding expenditure from the funds of panchayat union councils within the panchayat development block. |
| 140 (6) .. .. .. | Power to pass orders on panchayat union budgets. |
| 140 (7) .. .. .. | Power to issue instructions on audit reports on the accounts of the Panchayat Union (Education) Fund. |
| 151 (1), (2) and (12) .. | Power to remove chairman or vice-chairman of a panchayat union council for wilful omission or refusal to carry out or for disobedience of the provisions of the Act, rules, etc., or for abuse of powers vested in him. |
| 153 (13) .. .. .. | Power to remove chairman or vice-chairman of a panchayat union council, if a motion of no-confidence against him is carried with the support of not less than two-thirds of the sanctioned strength of the panchayat union council. |
| 177 (1) .. .. .. | Power to adjudicate disputes between one local authority having jurisdiction in one revenue district and another local authority having jurisdiction in another revenue district. |

## NOTIFICATION III.

In exercise of the powers conferred by sub-sections (1) and (4) of section 157 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby makes the following amendment to the Rural Development and Local Administration Department

(Local Administration) Notification S.R.O. No. B-90 of 1960, dated the 12th January 1960, published at page 4 of Part 1-A of the *Fort St. George Gazette*, Extraordinary, dated the 13th January 1960.

AMENDMENT.

In the said Notification, in the preamble, for the words ' Development Commissioner ' the words ' Chief Secretary to the Government ' shall be substituted.

(G.O. No. 1335, R.D. & L.A., dated 10th May 1961.)

## PANCHAYAT UNION COUNCILS—ENTRUSTMENT OF NATIONAL EXTENSION SERVICE SCHEME OF COMMUNITY DEVELOPMENT UNDER SECTION 66 OF THE MADRAS PANCHAYATS ACT, 1958—ENTRUSTMENT TO SECOND BATCH OF PANCHAYAT UNIONS.

According to the time schedule prescribed in the Government Order first read above (588, R.D. & L.A., dated 2nd March 1961) the entrustment of the execution of National Extension Service Scheme of Community Development to the second batch of Panchayat Unions will take place on 1st July 1961. In paragraph 3 of the same Government Order it has been, laid down that the Panchayat Union Councils should by a resolution accept the responsibility for mobilising the necessary resources which are expected to be raised by way of matching contribution within the financial framework laid down in G.O. Ms. No. 664, RD, dated 16th August 1960, read with G.O. Ms. No. 211, RD and LA, dated 25th January 1961. Subject to the Union Councils passing this resolution, the Government direct that the execution of the National Extension Service Scheme of Community Development be entrusted to the second batch of Panchayat Unions indicated in the annexure to this order with effect from 1st July 1961. They also direct that the instructions issued in G.O. Ms. No. 838, RD and LA, dated 21st March 1961, should apply to the second batch of Panchayat Unions also.

2. The receipt of this order should be acknowledged by the Collectors and Heads of Departments only.

ANNEXURE.

*North Arcot district.*

1 Kaniyambadi.
2 Kaveripakkam.
3 Nemili.
4 Sholingur.
5 Tiruppattur
6 Wallajah.
7 Chetpet.
8 Cheyyar.
9 Pernamallur.

*South Arcot district.*

10 Kanai.
11 Koliyanur.
12 Merkanam.
13 Ulundurpet.
14 Kurinjipadi.
15 Mangalur.
16 Mel Bhuvanagiri.
17 Nallur.
18 Portonovo.
19 Thyagadurgam.

*Chingleput district.*

20 Gummidipoondi.
21 Kancheepuram.
22 Kattankolathur.
23 Kunrathur.
24 Maduranthakam.
25 Minjur.
26 Poondi.
27. St. Thomas Mount.
28 Uthukottai.
29 Villivakkam.

*Coimbatore district.*

30 Ammapet.
31 Bhavani.
32 Bhavanisagar.
33 Dharapuram.
34 Kangayam.
35 Kodumudi.
36 Kundadam.
37 Modakurichi.
38 Mulanur.
39 Thuckanaickenpalayam.
40 Vellakoil.
41 Kinathukadavu.
42 Lakshminaickenpalayam.
43 Pongalur.
44 Sulur.
45 Thondamuthur.
46 Udamalpet.

*Madurai district.*

47 Athoor I. (Sembatti).
48 Athoor II (Reddiarchatram).
49 Batlagundu.
50 Dindigul.
51 Kodaikanal.
52 Nilakottai.
53 Palni.
54 Vedasandur.
55 Andipatti.
56 Bodinaickanur.
57 Chellampatti.
58 Kalligudi.
59 Sedapatti.
60 Tirupparankundram.

*The Nilgiris district.*

61 Coonoor.
62 Gudalur.
63 Kotagiri.

*Ramanathapuram district.*

64 Bogalur.
65 Devakottai.
66 Kadaladi.
67 Kalayarkoil.
68 Kallal.
69 Kannagudi.
70 Manamadurai.
71 Mandapam.
72 Mudukulathur.
73 Rajasingamangalam.
74 Ramanathapuram.
75 Rajapalayam.
76 Sattur.
77 Vembakottai.
78 Virudhunagar.
79 Watrap.

*Salem district.*

80 Bargur.
81 Mecheri.
82 Morappur.
83 Pappireddipatti.
84 Pennagaram.
85 Veppanapalli.
86 Uttangarai.
87 Attur.
88 Paramathi.
89 Sendamangalam.
90 Talavasal.
91 Tiruchengode.
92 Valappadi.

*Thanjavur district.*

93 Anaickaranchatram.
94 Kottur.
95 Kuttalam.
96 Muthupet.
97 Nagapattinam.
98 Sembanarkoil.
99 Avudayarkoil.
100 Ammapet.
101 Budalur.
102 Orathanad.
103 Sethubavachatram.
104 Tiruppanandal.
105 Thiruvidamarudur.
106 Kodavasal.

*Tiruchirappalli district.*

107 Andimadam.
108 Ariyalur.
109 Manikandam.
110 Perambalur.

*Tiruchirappalli district*—cont.

111 Thathengarpet.
112 Turaiyur.
113 Tirumanur.
114 Uppliapuram.
115 Aravakurichi.
116 Karambakudi.
117 Keeranur.
118 Thanthoni.

*Tirunelveli district.*

119 Karungulam.
120 Mela-Neelidanallur.

*Tiruchirappalli district*—cont.

121 Pudur.
122 Ottapidaram.
123 Sattankulam.
124 Vasudevanallur.
125 Udangudi.
126 Alangulam.
127 Radhapuram.
128 Tenkasi.
129 Valliyur.

(G.O. Ms. No. 1752, R.D. & L.A., dated 23rd June 1961.)

## RULES—MADRAS PANCHAYATS ACT, 1958—RULES RELATING TO PANCHAYAT UNION COUNCILS—AMENDMENTS—DRAFT PUBLISHED.

In the first batch of rules relating to Panchayat Union Councils issued under the Madras Panchayats Act, 1958, with the Government Order cited (Ms. No. 1677, L.A., dated 8th October 1960), reference has been made to "Inspector" or "Regional Inspector" in several rules; but the authorities who should exercise these powers have not been specifically mentioned in the rules or in the notifications issued by the Government. It is considered desirable to specify in the rules themselves that the powers conferred on the "Inspector" or the "Regional Inspector" shall be exercised by the Additional Development Commissioner or the Collector or the Revenue Divisional Officer as the case may be.

2. The appended notifications will be published in the *Fort St. George Gazette.*

### APPENDIX.

### NOTIFICATION I.

It is proposed, in exercise of the powers conferred by section 50 and sub-section (i) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) to make the following amendment to the rule for the production of documents by Commissioner, published with Rural Development and Local Administration Department Notification S.R.O. No. A.-385 of 1960, dated the 8th October 1960, at page 14 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

DRAFT AMENDMENT.

In the said rule, for the word ' Inspector ', wherever it occurs, the words ' Additional Development Commissioner ' shall be substituted.

NOTIFICATION II.

It is proposed, in exercise of the powers conferred by sub-section (i) of section 58 and section 61 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rules regarding personal conduct of officers and servants of panchayat union councils, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at pages 18 to 25 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this Notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

DRAFT AMENDMENT.

In rules 6 and 11 of the said rules, for the word " Inspector ", wherever it occurs, the word " Collector " shall be substituted.

NOTIFICATION III.

It is proposed, in exercise of the powers conferred by section 59 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rules for the appointment of common officer or servant for two or more Panchayat Union Councils, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at page 25 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

DRAFT AMENDMENT.

In the said rules, for the word " Inspector ", wherever it occurs, the words " Additional Development Commissioner " shall be substituted.

## NOTIFICATION IV.

It is proposed, in exercise of the powers conferred by sub-section (i) of section 58 and sub-section (i) by section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rule regarding grant of holidays by Panchayat Union Councils to institutions under their control, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at page 26 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

### Draft Amendment.

In the second proviso to the said rule, for the word " Inspector ", the word " Collector " shall be substituted.

## NOTIFICATION V.

It is proposed, in exercise of the powers conferred by clause (i) of sub-section (2) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rule specifying the prescribed authority for purposes of clauses (i) and (ii) of sub-section (2) of section 111, published with Rural Development and Local Administration Department Notification S.R.O. No. A. 385 of 1960, dated the 8th October 1960, at page 28 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

### Draft Amendment.

In the said rule—

(i) in the preamble and heading for the expression " clauses (i) and (ii) of sub-section (2) of section 111 ", the expression " clause (i) of sub-section (2) of section 111 " shall be substituted;

(ii) for the word " Inspector " the word " Collector " shall be substituted.

NOTIFICATION VI.

It is proposed, in exercise of the powers conferred by section 148 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rule regarding control of emergency powers of Inspector and Collector, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at page 36 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment, is accordingly published for general information as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

DRAFT AMENDMENT.

In the said rule, in item (ii), for the word " Inspector ", the words " Additional Development Commissioner " shall be substituted.

NOTIFICATION VII.

It is proposed, in exercise of the powers conferred by sub-sections (1) and (3) of section 180 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), to make the following amendment to the rules regarding framing of by-laws by Panchayat Union Councils, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at page 38 of the Supplement to Part V of the *Fort St. George Gazette ;* dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by subsection (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

DRAFT AMENDMENT.

In rule 2 of the said rules for the words " Regional Inspector concerned " the word " Inspector " shall be substituted.

## NOTIFICATION VIII.

It is proposed, in exercise of the powers conferred by clause (xiii) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) to make the following amendment to the rules regarding classification of public Roads, Fairs and Festivals, published with Rural Development and Local Administration Department Notification S.R.O. No. A-385 of 1960, dated the 8th October 1960, at page 38 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette*, in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

### DRAFT AMENDMENT.

In rules 1 and 3 of the said rules, for the word " Inspector " the words " Additional Development Commissioner " shall be substituted.

## NOTIFICATION IX.

It is proposed, in exercise of the powers conferred by clause (xix) of sub-section (2) of section 178 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) to make the following amendment to the rules regarding supply to Panchayat Union Councils of materials, goods, etc., published with Rural Development and Local Administration Department Notification, S.R.O. No. A-385 of 1960, dated the 8th October 1960, at pages 38 and 39 of the Supplement to Part V of the *Fort St. George Gazette*, dated the 12th October 1960. The following draft of the amendment is accordingly published for general information, as required by sub-section (2) of section 179 of the said Act.

The draft amendment will be further considered after six weeks from the date of publication of this notification in the *Fort St. George Gazette* in the light of such objections or suggestions as may be received with respect thereto before the expiry of that period.

Objections and suggestions should be addressed to the Secretary to Government, Rural Development and Local Administration Department, Fort St. George, Madras.

### DRAFT AMENDMENT.

In rule 9 of the said rules, for the words " Regional Inspector ", the words " Revenue Divisional Officer " shall be substituted.

(G.O. Ms. No. 2232, R.D. & L.A., dated 9th August 1961.)

## PROPERTY (ASSETS AND LIABILITIES) OF DISTRICT BOARDS

### TRAVELLERS' BUNGALOWS—MAINTENANCE AFTER FORMATION OF PANCHAYAT UNIONS.

The travellers' bungalows and the rest-houses belonging to or vested in the district boards are at present maintained through the Highways Department at the cost of the district boards; while the other travellers' bungalows and the rest-houses (belonging to Government) are maintained by that Department from the State Funds.

The Public Works Department Inspection Bungalows are maintained at present by the Public Works Department and the rooms in them are allotted by the District Collectors.

With effect from the date of constitution of Panchayat Union Councils, travellers' bungalows and rest-houses, which will be transferred from the district boards and panchayats to the Government under the Madras Panchayats Act, 1958, shall be maintained by the Highways Department from the State Funds. The inspection bungalows which are maintained by the Public Works Department will continue to be maintained by that Department.

The control over travellers' bungalows and rest-houses and the power of allotment of rooms in them will vest in the District Collectors.

The power of allotment of rooms in the Inspection Bungalows will continue to be exercised by the District Collectors as at present.

**(*Vide* G.O. No. 478, dated 14th March 1960)**

### PANCHAYATS—COMMUNAL PROPERTY OR INCOME.

On an application from the panchayat for the vesting of any communal property or income in a village, the Collector concerned should after making due enquiry, determine *first* whether or not there is a custom within the meaning of section 83 of the Madras Panchayats Act, 1958, *secondly* having regard to the existing mode of administration of the property or income concerned, it is necessary in the public interest that a declaration should be made under this section. If the Collector is satisfied on these two points, he should, by order, make a declaration under this section specifying the beneficiaries thereof; and register the property or incomes as having become invested in the panchayat concerned. Thereafter the panchayats will administer the property or income for the benefit of the beneficiaries specified in the order of the Collector.

**(G.O. No. 606, dated 1st April 1960.)**

# PANCHAYAT-VESTED PROPERTIES AND PANCHAYAT-REGULATED PROPERTIES—ADMINISTRATION AND REGULATION.

1. *Preliminary.*—Under the Madras Village Panchayats Act, 1950 (hereinafter referred to as the old Act) as well as the Madras Panchayats Act, 1958 (hereinafter referred to as the new Act), cetrain properties are specifically vested in panchayats for purposes of administration for the benefit of the village, including use—regulation by panchayats. There are also certain other properties which (though not vested in panchayats) are still made subject to use—regulation by them. The following orders are issued :—

(i) detailing panchayat-vested properties and other panchayat-regulated properties; and

(ii) specifying the manner in which the powers of administration and regulation are to be exercised by panchayats :—

## A. *Panchayat-vested properties.*

2. *Details of panchayat-vested properties.*—The properties mentioned below are statutorily vested in panchayats :—

(i) Unreserved forests;

(ii) Porambokes classified as grazing grounds, threshing floors, burning and burial grounds, cattle-stands, cart-stands and topes;

(iii) Water works other than irrigation works; and

(iv) Public roads other than National Highways, State Highways, Major District Roads and Panchayat Union Roads.

3. *Panchayat-vested unreserved forests.*—Under section 72 (1) of the new Act which corresponds to section 53 (1) of the old Act, all " unreserved forests " in the village at the commencement of the Act shall vest in the panchayat and shall be administered by it for the benefit of such village. It is necessary to be clear about the categories of land referred to as " unreserved forests ". Under section 2 (34) of the new Act which corresponds to section 2 (24) of the old Act, the term " unreserved forests " means a forest not notified under section 4 of the Madras Forest Act, 1882, and also includes " unreserved land " at the disposal of the Government. Land at the disposal of Government includes all unoccupied lands whether assessed or unassessed, but does not include patta lands owned by private persons—*vide* section 2 of the Madras Forest Act, 1882. Lands which are classified in the Revenue Accounts as " porambokes " should be deemed (subject to one exception which is referred to presently) to be lands reserved for the particular purposes for which they are so classified. As such all porambokes (other than forest porambokes) should be deemed to fall outside the scope of the term " unreserved land " at the disposal of

the Government. There remain assessed waste or unassessed wastes. Assessed waste are distinguished from unassessed wastes as being lands which are reserved for assignment on a permanent basis. Assessed wastes also cannot, therefore be deemed to be "unreserved forests" automatically vesting as such in the panchayat. Thus it follows that all unoccupied lands which on the date of the Act, were not reserved under the Madras Forest Act, 1882, and were classified in the revenue accounts as either forest poramboke or unassessed waste should be deemed to be unreserved land vesting in the panchayats concerned under the Act. It is necessary that all lands of the nature thus referred to which are situated within the limits of every panchayat village/town and should be identified, listed and formally placed under the administration of the panchayat concerned. The panchayat will thereafter administer the properties for the benefit of the village concerned.

4. *Panchayat-vested porambokes.*—Section 60 (2) of the old Act empowered the panchayats to regulate the use of the following porambokes subject to such restrictions and control as may be prescribed :—

(i) grazing grounds,

(ii) threshing floors,

(iii) burning and burial grounds,

(iv) cattle-stands,

(v) cart-stands, and

(vi) topes.

Formerly these porambokes were *not vested* in the panchayats. But section 86 (2) of the new Act has made an important change. Such porambokes are now *vested* in the panchayats. They may accordingly be referred to as panchayat-vested porambokes. Action has therefore to be taken to get lists of panchayat-vested porambokes for every panchayat village/town prepared with particulars of survey numbers, etc., and to hand the lists over to the panchayats concerned. Thereafter, the panchayats will regulate the use of such panchayat-vested porambokes subject to such restrictions and control as may be prescribed by rules.

5. *Panchayat-vested water works.*—Under sub-section (1) of section 84 of the new Act which corresponds to sub-section (1) of section 77 of the old Act, all public water-courses, springs, reservoirs, tanks, cisterns, fountains, wells, stand-pipes and other water works and also any adjacent land (not being private property) appertaining thereto shall vest in the panchayat and be subject to its control, if such work or land is not connected with a work of irrigation. Sub-section (2) of the said section provides that Government may by notification, define or limit such control or assume the administration of any public source of water-supply and public

land adjacent and appertaining thereto after consulting the panchayat and giving due regard to its objection, if any. It is necessary that all water works of the nature thus referred to and lands, if any, appertaining thereto which are situated within the limits of any panchayat village/town should be identified, listed and formally placed under the administration of the panchayat concerned. Action under sub-section (2) referred to above may be taken if necessary thereafter.

6. *Panchayat-vested public roads.*—Under section 76 (1) of the new Act which corresponds to section 56 (1) of the old Act, all public roads in a panchayat village/town other than district (Panchayat Union) roads and roads classified by the Government as National Highways and State Highways are vested in panchayats. Orders for locating the roads to be vested in Panchayat Unions and distinguishing them from roads to be vested in panchayats are under issue separately. With reference to these orders, lists should be prepared, with particulars of survey number, etc., of panchayat roads vesting in every panchayat separately.

7. *Other panchayat-vested lands.*—There may be other lands already vested in panchayats or which may hereafter be vested in panchayats, as a result of alienation proceedings under the Board's Standing Orders. Though, as stated already, assessed wastes do not automatically vest in panchayats, it will be open to panchayats to get such lands vested in them and may apply to the Collector for this purpose. Such applications should be freely granted unless there are special objections in particular cases.

8. *Rights of panchayats in vested properties.*—The properties vested in the panchayats either under the Act—*vide* paragraphs 2 to 6 above or those vested as a result of alienation proceedings under the Board's Standing Orders—*vide* paragraph 7 above, are intended to be used by the panchayats for the purpose or purposes for which they are vested or alienated. The panchayats will have no right to assign or alienate the properties to other persons.

9. *Preparations of lists of panchayat-vested properties.*—A list of all properties vested with the panchayat shall be prepared by the karnam in duplicate under the columns in the diglott registers. The list shall mention in the remarks column opened for the purpose the names of encroachers, if any, at the time it is prepared. The Firka Revenue Inspector in the ryotwari tract and the Estate Manager or the Assistant Manager not below the rank of a Deputy Tahsildar in the areas not yet settled under the Madras Estates (Abolition and Conversion into Ryotwari) Act, 1948, shall authenticate the correctness of the list.

Where there are trees on these porambokes, they may either be held on tree patta or the right to their usufruct may be sold in each fasli. The karnam should prepare separate lists in duplicate for each class of trees. These lists should be got approved by the

Revenue Inspectors in the ryotwari tract, or by the Estate Manager or the Assistant Manager in the estate areas not yet settled under the Madras Estates (Abolition and Conversion into Ryotwari) Act, 1948. The Revenue Inspector, the Estate Manager or the Assistant Manager, as the case may be, should examine them with reference ot special orders, if any, issued in the matter.

The list in respect of trees other than those held on tree-tax system will enable the panchayat to take appropriate action in regard to them. Trees held on tree-tax system will of course be borne on the revenue accounts and the list of these trees sent to panchayats are only intended for their information.

The Collectors are requested to take action urgently for the preparation by the village officers of the list of panchayat-vested properties on the lines referred to above and see that the list of the properties are checked during the next jamabandi and that they are handed over to Panchayat President, and their acknowledgments obtained and filed in the Taluk Office for records soon after the jamabandi is over.

If, for any reason, any list prepared and checked at the next jamabandi happens to be incomplete, a supplemental list may be prepared as soon as possible thereafter and issued to the panchayats concerned. Under section 164 of the Act, the executive authority or the Commissioner may, by an order in writing, require the headman or karnam or both of any revenue village comprised within the jurisdiction of the panchayat or Panchayat Union Council to furnish him with information on any matter falling within such categories as may be prescribed in respect of such or any part thereof or any person or property therein.

B. *Panchayat-regulated properties.*

10. *Panchayat-regulated porambokes.*—Section 60 (4) of the old Act which corresponds to section 86 (4) of the new Act empowers the panchayat to regulate the use of any poramboke other than those referred to in paragraph 4 above, if the panchayat is authorized in that behalf by an order of the Government. Orders have been issued separately in G.O. No. 76, L.A., dated the 12th January 1960, delegating to the District Collectors the power of the Government to issue orders under section 86 (4) of the new Act.

Collectors are requested to make known to all the panchayats in the district the provisions of this section. If and when any panchayat applies for authorization to regulate the use of any poramboke for the benefit of the village, Collectors are requested ordinarily to issue such authorization unless there are special reasons to the contrary in any particular case. The issue of such authorization may be subject to such conditions and restrictions as Collectors may find it necessary, from time to time, to stipulate.

11. *Planting and preservation of trees on panchayat-vested properties and panchayat-regulated properties—Provision of the Act—* (i) *Planting of trees on roads.*—One of the discretionary functions vested in panchayats under section 64 of the new Act which corresponds to section 51 of the old Act, is the "planting and preservation of trees" on the sides of the public roads in a village. The difference between the old Act and the new Act in this regard is that under the old Act the panchayat may plant and preserve trees only on the sides of roads vested in it; while under the new Act, the panchayat may undertake planting and preservation of trees on the side of *all* public roads in the village or town subject to mutually agreed terms and conditions between the panchayat and the authority which maintains the road in case the road is not maintained by the panchayat itself.

(ii) *Planting of trees on panchayat-vested properties and panchayat-regulated properties.*—Sub-section (5) of section 86 of the new Act which corresponds to sub-section (5) of section 60 of the old Act provides that the panchayat may subject to such restrictions and control as may be prescribed plant trees on *any* poramboke whether vested in it or not, provided the use of such poramboke is regulated by it under sub-section (2) or sub-section (4) of the same section.

(iii) Government attach very great importance to these provisions. They consider it essential that every panchayat should do its best to plant and preserve trees on porambokes or waste lands whether or not they are vested in them. This is necessary in order to increase the fuel, fodder and manurial resources in the village to the maximum practicable extent and this contribute to the development of agricultural production in the village. The tree plantations thus developed will constitute valuable community assets, yielding income for the panchayats in future. The question of providing panchayats with the funds necessary for the purpose is under consideration separately and orders thereon will be issued in due course.

(iv) Collectors of districts are requested to bring to the notice of all panchayats the provisions of the Act referred to above and issue instructions to them to undertake a systematic programme of plantation and preservation of trees.

**(G.O. No. 648, L.A., dated 4th April 1960.)**

## CONSTRUCTION OF OFFICES OF PANCHAYAT UNIONS AND MEETING HALL.

Under section 66 of the new Panchayats Act, work connected with the National Extension Scheme is to be entrusted with the Panchayat Unions. The Government, therefore, direct that the office of the Panchayat Union and the existing Block Development office should function as a single office in the same building.

Offices for the Block Development office have been built already in a number of blocks. In these blocks, additional buildings will have to be provided for the Panchayat Union Council Hall and for providing office accommodation for the additional staff of the Panchayat Union offices. Where no buildings have so far been constructed for the block office, entirely new buildings will have to be put up.

The programme of construction of additional or new buildings in all the 370 blocks in this State may be phased over the next 3 or 4 years. Priority lists for this phased programme will have to be drawn up by the Collectors, after giving due consideration to the following :—(i) the date of inauguration of the Panchayat Union, (ii) the immediate availability of alternative accommodation which can be taken on rent or for occasional use for specific purposes like meetings of the Council, until the buildings are completed, (iii) the ready availability of sites for construction, and (iv) any other relevant factors.

The Government direct that a provision of Rupees thirty lakhs be made available to the districts for undertaking construction of Panchayat Union offices.

The Chief Engineer (Highways) will be responsible for ensuring that the construction of buildings is taken in hand systematically and completed expeditiously.

(*Vide* G.O. No. 503, R.D., dated 28th June 1960).

## TRANSFER OF ASSETS AND LIABILITIES OF DISTRICT BOARDS

### Items of work to be attended.

The Block Development Officers and the Managers of the first batch of 75 Panchayat Unions will be reaching the District Board offices for training in the middle of August 1960. During the period of their stay of two weeks at the District Board offices, they will conduct a preliminary scrutiny of the records and registers or extracts thereof to be transferred to the Panchayat Unions. It is essential that the several registers of accounts are written up to date, that the inventories of properties to be transferred to the Panchayat Unions are prepared Blockwise and the records and files are sorted and the lists are prepared Blockwise. The Personal Assistants to Special Officers of District Boards are requested to take necessary action expeditiously so that all the above items of work are completed by the time, the Accountants, the Managers and the Commissioners of Panchayat Unions start their new Union Office. In this connection, a short note relating to the transfer of properties and liabilities of District Boards to the first batch of Panchayat Union Councils which will be constituted on 2nd October 1960 is appended below for information and guidance, in connection with

the constitution of the Panchayat Union Councils. If they find any difficulty, they are requested to bring them to the notice of the Government in the Rural Development and Local Administration Department then and there for orders.

### A Short note relating to the transfer of properties and liabilities of District Boards.

#### 1. *Establishment.*

A. *Preparation of Blockwise list of employees.*—Blockwise lists showing the names of teachers in elementary schools, medical officers, vaccinators, employees working in the Maternity and Child Welfare Centres and other members of the District Board staff, transferable to the Panchayat Unions, together with particulars of their pay and allowances, names of the institutions and the sanctioned scale of establishment will have to be prepared with reference to the entries in the establishment Audit Register and April returns available in the District Board. The lists must be prepared by the District Board office and made available to the Union Commissioners. The Managers ought to ensure the correctness of the lists during their practical training at the District Board office.

B. *Transfer of Service Registers.*—The Service Registers of the employees allotted to the Panchayat Unions will have to be sent to the Union Commissioners, after verifying the services up to 30th September 1960 together with the personal files.

C. *Last Pay Certificate.*—The Last Pay Certificates in respect of the employees to be transferred to the Panchayat Unions will have to be sent to the Union Commissioners. The certificates should in addition to the particulars of pay, dearness allowance, rate of provident fund subscription, show the nature and amounts of advances; such as advance of pay and travelling allowance, festival advance, conveyance advance and temporary advances from provident fund.

#### 2. *Elementary Schools.*

Clause (iii) of section 13 of the Madras Panchayats Act contemplates the transfer of all elementary schools maintained by any District Board or Panchayat, to the Panchayat Union Councils [*vide* Rule 11 (1) of the schedule IV to the Madras Panchayats Act, 1958, also]. The maintenance of elementary schools is exclusively a function of the Panchayat Unions [*vide* section 65 (*e*) of the Madras Panchayat Act, 1958]. As far as the elementary schools maintained by the District Boards and situated in the area of the proposed blocks are concerned the transfer will have to be effected along with the buildings, furniture, equipments, library books, etc., appertaining to the schools. Extracts from the register of immovable properties, the register of tools and plants, etc.,

will have to be prepared Blockwise and Districtwise and furnished to the Union Commissioners. In respect of the elementary schools now maintained by Panchayats, the Executive Authorities of the Town and Village Panchayats may be required to take similar action. Panchayat Extension Officers and Divisional Panchayat Officers must be required to ensure this.

### 3. *Markets.*

Personal Assistants to the Special Officers must ensure that the postings in the Miscellaneous Demand Register have been made up to date and be made available for preliminary verification by the Panchayat Union Accountants and Managers. The lease deeds obtained from the lessees will have to be endorsed to the Panchayat Unions. The correspondence files relating to the market will have to be sorted out Blockwise and Districtwise and handed over to the Panchayat Unions. The Panchayat Unions will be entitled to recover the arrears of kist amounts due in respect of the markets classified as Panchayat Union markets and relating to previous years, viz., prior to 1960–61 [*vide* clause (*v*) of section 13 of the Madras Panchayats Act, 1958, and the explanation thereunder]. It is therefore necessary for Personal Assistants to Special Officers to prepare Blockwise and Districtwise arrear lists and certify to the correctness of arrear lists in respect of markets classified as Panchayat Union markets and furnish them to the Union Commissioners.

### 4. *Ferries and Fisheries.*

The income from ferries and fisheries is one of the item of revenues creditable to Panchayat Union Councils and the Panchayats [*vide* sections 135 (xv) and 137 (xiii) and (xiv) of the Madras Panchayats Act, 1958].

In the case of ferries transferred to the Panchayat Unions, Blockwise lists of the ferries showing the names of places where the ferries and fisheries are situated, particulars of the amounts for which they have been leased out for the year 1960–61, names of the lessees, amounts collected by the District Boards during the six months commencing from 1st April 1960 and the amounts of deposit obtained from the lessees will have to be prepared Blockwise and Districtwise and furnished to the Union Commissioners. For this purpose the postings in the Miscellaneous Demand Registers will have to be made up to date and made available for preliminary verification by the Panchayat Unions Accountant and Managers. The lease deeds obtained from the lessees will have to be endorsed to the Union Commissioners concerned. The correspondence files relating to the ferries and fisheries will have to be sorted out blockwise and districtwise and handed over to the panchayat unions. It is also pointed out that the panchayat unions will be entitled to

recover the arrears of kist amounts due in respect of the ferries and fisheries transferred to their control and relating to previous years, viz., prior to 1960–61 [vide clause (v) of section 13 of the Madras Panchayats Act, 1958 and the explanation thereunder]. It is therefore necessary to prepare blockwise and districtwise arrear lists in respect of the ferries and fisheries proposed to be transferred to the panchayat unions and furnish them to the Union Commissioners.

5. *Dispensaries, maternity, child-welfare centres and district choultries.*

Clause (iv) of section 13 of the Madras Panchayats Act, 1958, contemplates the vesting of dispensaries and district choultries in the Panchayat Union Councils. These institutions are transferable to the panchayat unions together with the buildings, furniture, equipments, stocks and stores. Blockwise and districtwise lists showing the names of the places in which they are situated will have to be prepared and furnished to the Union Commissioners, along with extracts from the register of immovable properties, register of tools and plants in respect of the assets appertaining to these institutions. The Managers and the Personal Assistants to the Special Officers are required to ensure that the blockwise lists of the immovable properties such as buildings, tools and plants, etc., to be transferred to the panchayat unions are prepared correctly and sufficiently in advance, so that the correctness of the lists may be verified by the Panchayat Union Accountant trainees during their training in the district board office.

6. *Roads and execution of works.*

*Execution of works by the Divisional Engineers.*—The works relating to the buildings and roads in progress and which are expected to be completed before 30th September 1960 may be transferred to the panchayat unions concerned. In the case of works already taken up for execution and which are not likely to be completed before 30th September 1960, the Divisional Engineers may be required to prepare and furnish the Union Commissioners, list of the incomplete works executed from the Government grants and from the district board funds separately, showing the amount of expenditure incurred up to 30th September 1960, the amount of grants sanctioned, if any, the name of the contractor, amount of security deposits obtained from the contractor together with copies of Government Orders sanctioning the grant, the work files and connected records. The unspent balance of the grant in respect of any work in progress in the area of the blocks will have to be transferred to the panchayat unions concerned unless it is decided that the Divisional Engineers should complete these items of work. In such cases, the amounts remaining to be accounted for

by the Divisional Engineers will have to be treated as "Advance recoverable" in the books of the panchayat unions, and adjustments will have to be made on receipt of the statements of expenditure from the Divisional Engineers. Full details in such cases will have to be furnished by the Divisional Engineers (Highways). The Personal Assistant to Special Officers are requested to take necessary action in the matter.

### 7. *Arrears of taxes and fees.*

All arrears of taxes, fees or other amounts due to district boards may be recovered by the panchayat unions [vide clause (v) of section 13 of the Madras Panchayats Act, 1958 and the explanation thereunder].

### 8. *Advances recoverable.*

The various kinds and purposes for which advances would have been granted by the district boards are: (1) supply of materials other than those for works, (2) purchase of forms from Hoe and Company, and of stationery articles from the Government Stationery Stores and private dealers, (3) purchase of medicines from the Medical Stores Depot, (4) advances of pay and travelling allowance, festival advances, and (5) advance for purchase of conveyance. Besides these, there is Engineer's Miscellaneous Advance. Of these, the advances granted to the employees alone can be transferred to the panchayat unions concerned due to the fact that it may not be possible to assign other advances to any panchayat union. The supplies of stationery articles, forms, registers, medicines, etc., would have been indented for in bulk for all the institutions under the control of the district boards. As far as the advances pending recovery from the employees allotted to the panchayat unions are concerned, the district board offices will have to pick out the items from the "Advances Recoverable Register." and prepare blockwise lists showing the names of the employees, the purpose of advance, the amounts paid, the amounts recovered up to 30th September 1960 and the balance pending. For this purpose, the Personal Assistant to the Special Officer will have to ensure that the Advances Recoverable Register is written up fully. The details of the advances pending recovery may be required to be specified in the Last Pay Certificates of the individuals, which will be sent to the Union Commissioners. It is desirable that the blockwise lists of the advances pending recovery from the employees are subjected to a preliminary verification by the Panchayat Union Accountant Trainees during their training in the district board office. In the case if advance of travelling allowance granted to the employees and allowed to get time-barred due to non-submission of regular travelling allowance bills within the period of three months after the completion of the journey,

the amounts will have to be recovered from the employees concerned. The responsibility for the recovery or adjustment of the advances will rest on the Panchayat Unions concerned [*vide* clause (v) of the section 13 of the Madras Panchayats Act, 1958, and the explanation thereunder] according to which all arrears of taxes, fees *or other sums due* to a district board may be recovered by the Panchayat Union Councils.

## 9. *Loans.*

Under clause (v) of section 13 of the Madras Panchayats Act, 1958, the liabilities relating to the area of the blocks alone pass to the Panchayat Unions. Loans are usually sanctioned by the Government for the construction of and improvements to markets, slaughter-houses, cart-stands, bus-stands, etc. Of the institutions referred to above, markets alone will vest in the Panchayat Unions provided they are classified as Panchayat Union markets under section 104 of the Madras Panchayats Act, 1958. The other institutions referred to will vest in the panchayats. The balance of loans pending repayment can be transferred to the Panchayat Unions only in cases where it relates to markets vesting in Panchayat Unions. Blockwise statements showing the amounts of loans obtained from Government, the terms of repayment, the annuties payable, amount repaid towards interest and capital up to date, amount pending repayment to Government and amount of loan spent for the purposes specified in the order granting the loan will have to be prepared and furnished to the Union Commissioners in the case of markets covered by the loans and transferable to the Panchayat Unions. These lists will also be subject to preliminary scrutiny by the Panchayat Union Accountants and Managers.

## 10. *Provident Fund.*

(*a*) Provident Fund accounts (for superior servants) and Bonus Fund Accounts (for inferior servants and menials) of all the employees such as teachers, medical officers, Health Visitors, Maternity Assistants, ayahs and clerks and servants allotted to the Panchayat Unions will have to be closed and transferred to the Panchayat Union Councils concerned. The Personal Assistants to the Special Officers of District Boards will have to ensure—

(1) that the Provident Fund Ledger and the Abstract Register which show the opening balance under "subscription" and "bonus" subscriptions recovered for each month (including recovery of temporary advances) withdrawals of temporary advances, bonus or contribution adjusted at the end of each year and interest on subscriptions and bonus credited for each year are posted up to date;

(2) that interests on subscriptions and bonus are credited to the account for the period up to 30th September 1960;

(3) that the district boards' contribution towards bonus is credited to the individual accounts up to and inclusive of September 1960;

(4) that blockwise statements showing the names of the employees, account number, the total amounts at credit of the individual subscribers under "subscriptions" and "bonus" (including interest adjusted to the accounts up to 30th September 1960) are prepared and made available to the Union Commissioners.

The items of work referred to above should be attended to by the Provident Fund Section of the District Boards.

It is necessary that the blockwise statements prepared and certified to by the Personal Assistants to the Special Officers are subjected to a preliminary verification by the Panchayat Union Accountants and Managers during their training in the District Board Offices.

(b) *Mode of transfer of Provident Fund Accounts to the Panchayat Unions.*—The amounts at credit in the Provident Fund Accounts of the employees forms part of the liabilities of the District Board and it is kept in the following forms :—

(1) Investments;

(2) Post Office Savings Bank deposit (Conjoint Account); and

(3) Balance in Treasury.

When the liability for payment of Provident Fund to the employees allotted to the Panchayat Unions is transferred to the Panchayat Unions, the assets like Provident Fund investments or cash or both making up the total amount of the liability will have to be transferred to the Panchayat Unions simultaneously. If the investments are of smaller denominations, their break up will be easy. The register of investments will have to be written up to date. The portion of the treasury balance representing Provident Fund will have to be worked out correctly and agreed with the accounts.

## 11. *Deposits.*

The deposits are mainly of the following kinds :—

(1) Contractors' deposits.

(2) Lessees' deposits.

(3) Renters' deposits.

The statute lays down that any deposit or balance thereof shall be credited to a revenue head of account if it has remained unclaimed for a period of three years from the date on which it became repayable or in case the deposit or balance thereof does not exceed one rupee if it has remained unclaimed for a period of one year from the date on which it became repayable. Deposits which have not so far been lapsed to the District Board Funds with reference to this provision will have to be credited to the revenue head at least now by transfer adjustment. The Register of Deposits will have

to be posted up to date. As regards contractors' deposits which are usually accounted for by the Divisional Engineers it may not be possible to ascertain with any definite degree of accuracy, to which of the union area they relate.

It is necessary that the Divisional Engineers be required to write up the accounts fully and allocate the deposits blockwise and furnish a blockwise statement of deposits, showing the names of the Contractors, names of works to which the deposits relate and the amounts of deposits pending refund, to the Union Commissioners.

As regards lessees' deposits, and renters' deposits, there may not be any difficulty in effecting the transfers to the Panchayat Unions. The usual items of revenue which are leased out and with which the Panchayat Unions are concerned are markets, ferries and fisheries. Under clause (v) of section 13 of the Madras Panchayats Act, 1958, all liabilities legally subsisting against the District Boards shall pass on to the Panchayat Union Councils, so far as such liabilities are relatable to the area which is declared to be a Panchayat Development Block. This is however, subject to such direction as the Government may, by general or special order give. When markets classified as Panchayat Union Markets under section 104 of the Madras Panchayats Act, 1958, ferries and fisheries lying in the area of the development blocks are transferred by the District Board to the control of the Panchayat Unions, the liability to refund the deposits obtained from the lessees will also pass to the Panchayat Unions along with the assets. In such cases, the District Board will have to effect the transfer of the liability by paying an equivalent amount of cash to the Panchayat Unions. The same procedure will apply even in the case of the Renters' deposits, if the properties rented out also vest in the Panchayat Unions.

### 12. *Security Deposits of Employees.*

Security deposits are usually obtained from the employees in the form of Post Office Savings Bank Deposits and other Government securities. In the case of employees transferred to the Panchayat Union Councils, the security deposits and the bonds will have to be transferred to the Panchayat Union Councils by endorsement.

### 13. *Endowments.*

Under section 73(3) of the Madras Panchayats Act, 1958, the management and superintendence of any charitable endowments which were vested in a district will vest in the Panchayat Union Councils. The funds relating to the endowments may be in the form of investment or cash or both. The endowments will have to be transferred to the Panchayat Union Councils along with the buildings and other immovable properties, tools and plant, investments and cash relating thereto. Lists of endowments situated in

the area of the blocks will also have to be prepared and furnished to the Union Commissioners together with particulars of investments, cash balance, immovable properties, tools and plant relating to the endowments. The Panchayat Union Accountant will verify the particulars with reference to the records maintained in the District Board Office, so that there may not be any difficulty to proceed further soon after the constitution of the Panchayat Union Councils.

14. *Other assets.*

The assets which are not transferable to the Panchayat Unions will comprise rest houses, travellers' bungalows, hospitals and secondary, vocational and industrial schools. Of the institutions referred to above, the first three items will stand transferred to and vest in the Government and all secondary, vocational and industrial schools maintained by any district board will stand transferred to and be vested in such authority as may be specified by the Government—*vide* clause (vi) of section 13 of the Madras Panchayats Act, 1958.

**(Memo. No. 120582/T6/60-1, R D. and L A., dated 2nd August 1960.)**

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DISTRICT BOARD—ASSETS AND LIABILITIES—PROVIDENT FUND—INVESTMENTS—TRANSFER—CLARIFICATION—ISSUED.

The Special Officers, Thanjavur and Ramanathapuram District Boards have sought certain clarifications relating to the transfer of assets and liabilities in respect of Provident Fund Accounts to the Panchayat Unions in their letters, dated 10th and 28th October 1960. A copy of remarks of the Examiner of Local Fund Accounts contained in his letter, dated 3rd January 1961 with which the Government agree is communicated to the Special Officers, Thanjavur and Ramanathapuram District Boards, for guidance.

ENCLOSURE.

*Copy of letter L.F. (PU) No. 9539, dated 3rd January 1961 from the Examiner of Local Fund Accounts, Madras, addressed to the Secretary to Government, Rural Development and Local Administration Department, Madras-9.*

[Madras Panchayats Act, 1958—Implementation of transfer of assets and liabilities of district boards—Provident Fund investments —Clarification. *Reference.*—(1) Government Memorandum No. 120582/T6/60-13/R.D. & L.A., dated 28th October 1960, enclosing copy of letter Rc. B1 No. 40644/59, dated 10th October 1960 from the Special Officer, Thanjavur District Board and letter No. C2-39233/60, dated 13th October 1960, from the Special Officer, North Arcot District Board; and (2) Office Memorandum No. 120582/T6/17, R.D. & L.A., dated 11th November 1960, enclosing copy of letter Roc. No. F3-31974/60, dated 28th October 1960, from the Special Officer, Ramanathapuram District Board.]

The following points referred to by the Special Officer, Thanjavur District Board are common to all the district boards:—

I. The mode of distribution of Provident Fund investments bearing interest at varying rates.

II. The treatment of the amount of interest on National Savings Certificates and National Plan Certificates not actually realized but taken credit (shown under the column 'Interest') on the receipts side of the Provident Fund cash book and treated as reinvestment in the same National Savings Certificates and National Plan Certificates (shown under column 'investments' of the payments side of the Provident Fund cash book).

The following remarks are offered on the above points:—

*Point No. I.*—The mode of distribution of investments would depend upon the denominations in which the investments are actually available. For instance the share of a particular Panchayat Union in investments bearing a certain rate of interest—say 3 per cent may work out to Rs. 5,559 and if the scrips of this investment are available in denominations of Rs. 100 the scrips worth Rs. 5,500 may be transferred to Panchayat Union and the balance of Rs. 59 be paid in cash. It would thus be seen that the break-up of the investments up to the nearest naye Paise or the nearest rupee, may not be practicable.

In the absence of any hard and fast rule prescribing the mode of distribution of the investments, the question of deciding the suitability or otherwise of the adoption of the following formula suggested by the Special Officer, Thanjavur District Board has to be examined with reference to a general principle, viz., that the share of each Panchayat Union should as far as possible be commensurate with the liability represented by the sum total of the amounts at the credit of the subscribers as per the Provident Fund ledger.

$$\frac{\text{Particular Investment amount}}{\text{Total investment}} \times \text{Block asset.}$$

This formula would not portray the relationship between the amount at the credit of the Provident Fund Accounts of the transferred subscribers and the total amount at the credit of all the subscribers as on 1st October 1960, the date prior to that of the constitution of the first batch of Panchayat Unions. It would not therefore satisfy the general principle suggested in the foregoing paragraph. An illustration is given in section A of the Annexure to bring home the misleading results arising from the application of the formula suggested by the Special Officer, Thanjavur District Board.

The following alternative formula which would seem to satisfy this requirement and ensure an equitable distribution, is suggested for consideration:—

$$\text{Share of a Panchayat Union investments bearing 'R' per cent interest} = \frac{\text{Total face value of investments bearing 'R' per cent interest.}}{\text{Total amount at the credit of the subscribers in the composite District Board.}} \times \text{Total amount at the credit of the transferred subscribers.}$$

An illustration showing the method of calculating the share of each Panchayat Union with reference to the formula is given in section B of the Annexure.

*Point No. II.*—As for the treatment of investments in National Savings Certificates and National Plan Certificates, it is pointed out that the difficulties apprehended by the Special Officer, Thanjavur and Ramanathapuram District Boards are not real. The transfer of National Savings Certificates and National Plan Certificates to the Panchayat Unions may not be construed to adversely affect the district board. The interest of the Panchayat Unions are of prime importance and have to be safeguarded, *vide*—sub-rule (1) of rule 15 of the District Board Provident Fund Rules read with section 197 of the Madras Panchayats Act, 1958, according to which the rate of interest payable to the subscribers in the service of the Panchayat Unions would be 4 per cent per annum in the first instance. Further the balance left at the credit of the subscribers after the transfer would be less than the amount at the credit of all the subscribers prior to the constitution of the Panchayat Unions and consequently there would be a corresponding reduction in the liability of the district board for the payment of interest on the Provident Fund amounts. It may thus be seen that the liability of the district boards for the payment of interest would not remain constant throughout. Further the district boards need not depend solely upon the presumptive amount of interest accruing on National Savings Certificates shown (in red ink) in the Provident Fund cash book. The district boards would get a legitimate and reasonable portion of other categories of investments which would fetch interest year after year. Also any deficit that may result in the transaction finally can well be borne by the District Board General Fund to which surplus of interest in Provident Fund account after meeting expenditure on payment of interest has hither been credited. Again when transfer of by funds of this nature has to be effected to several local authorities from a parent local authority meticulous calculation of amounts to the nearest rupee would involve needless elaborate accounting and would not be worth the labour expended on it. The next step is to wipe off the difference between the inflated value and the face value of the National Savings Certificates and National Plan Certificates, transferred to the Panchayat Unions. For this purpose the district Board will have to write back the amount of interest adjusted every year on such of the National Saving Certificates as have been transferred to the Panchayat Unions by reversing the processes laid down in G.O. Ms. No. 1713, L.A., dated 31st August 1951, G.O. No. 53. L.A., dated 11th November 1955 and G.O. Ms. No. 1842. L.A., dated 15th December 1958. The write-back will have to be shown both under the column 'interest' on the receipts side and the columns 'investments' on the payment side of the Provident Fund Cash Book. As the question is of a general nature, the desirability of issuing General instructions to the Special Officers of all the District Boards is suggested for consideration.

In this connection it is pointed out that on receipt of the National Saving Certificates and National Plan Certificates from the District Boards the Panchayat Unions will have to treat the presumptive

amount of interest accruing on those certificates as reinvestment in the same certificates in accordance with the principles laid down in G.O. No. 53, L.A., dated 11th January 1955 and G.O. No. 1842, L.A., dated 15th December 1958. Necessary instructions may be issued to the Commissioners of all the Panchayat Unions.

As regards the request of the Special Officer, Thanjavur District Board for sanction to the continuance of the rate of interest payable to the subscribers at 3½ per cent for the year 1960–61 the Special Officer may be required to address this department separately.

As for the question relating to the agency for the execution of road works to be transferred to the Panchayat Unions raised by the Special Officer, North Arcot District Board in his letter Roc. No. C2-39233/60, dated 13th October 1960, the attention of the Special Officer may be drawn to the orders of Government in Memorandum No. 172587/L2/60, L.A., dated 28th November 1960.

## Annexure.

*I. Particulars of Provident Fund investment.—*

| | |
|---|---|
| 12 Years National Savings Certificates .. .. | 3,77,000 |
| 12 Years National Plan Certificates .. .. | 23,34,825 |
| 3 Per cent Conversion loan 1946 .. .. .. | 3,00,800 |
| 3 Per cent Government Loan, 1963–65 .. .. | 40,500 |
| 3½ Per cent Madras Co-operative Land Mortgage Bank. | 1,30,000 |
| 3½ Per cent National Plan Loan, 1964 .. .. | 2,00,000 |
| 3½ Per cent Ten Years Treasury Savings Certificates. .. .. .. .. .. .. | 40,000 |
| 4 Per cent Loan 1964 .. .. .. .. | 25,000 |
| 4 Per cent Madras Loan, 1967 .. .. .. | 60,900 |
| 4 Per cent Government Loan, 1969 .. .. | 34,000 |
| Total .. | 35,43,025 |

| *Particulars.—* | *Total.* |
|---|---|
| National Savings Certificates .. .. .. .. | 3,77,000 |
| National Plan Certificates .. .. .. .. | 23,34,825 |
| *Investments bearing at interest.—* | |
| 3 Per cent .. .. .. .. .. .. | 3,41,300 |
| 3½ Per cent .. .. .. .. .. .. | 3,70,000 |
| 4 Per cent .. .. .. .. .. .. | 1,19,900 |
| Total .. | 35,43,025 |

*II. Amount at the credit of the subscribers transferred h Panchayat Union (Subscriptions and Bonus).*

| | | RS | nP. |
|---|---|---|---|
| 1 | Sirkali Panchayat Union .. .. .. .. | 65,716 | 16 |
| 2 | Mayuram Panchayat Union .. .. .. | 62,033 | 32 |
| 3 | Kumbakonam Panchayat Union .. .. .. | 61,404 | 02 |
| 4 | Papanasam Panchayat Union .. .. .. | 1,01,657 | 15 |
| 5 | Kivalur Panchayat Union .. .. .. .. | 29,762 | 26 |
| 6 | Vedaranyam Panchayat Union .. .. .. | 44,848 | 38 |
| 7 | Tiruthuraipuondi Panchayat Union .. .. | 74,053 | 77 |
| 8 | Pattukkottai Panchayat Union .. .. .. | 1,00,196 | 78 |
| | Total .. | 5,39,641 | 84 |

III. Total amount at the credit of all the subscribers (including those transferred to Panchayat Unions and those retained in the district board service)—is say Rs. 35,70,041·84 nP.

A. To fix the share of each Panchayat Union in invsestment bearing 4 per cent by means of the formula :—

$$\frac{\text{Particular investment amount}}{\text{Total investment}} \times \text{Block asset.}$$

Sirkali Panchayat Union .. $\frac{65{,}716{\cdot}16 \times 1{,}19{,}900}{35{,}43{,}025}$ (or 0·03) =1971·48

| | |
|---|---|
| Mayuram Panchayat Union .. | 62,003·32 × 0·03 = 1860·10 |
| Kumbakonam Panchayat Union. | 61,404·02 × 0·03 = 1842·12 |
| Papanasam Panchayat Union.. | 101,657·15 × 0·03 = 3049·71 |
| Kivalur Panchayat Union .. | 29762·26 × 0·03 = 892·87 |
| Tiruthuraipuondi Panchayat Union. | 874053·77 × 0·03 = 2221·61 |
| Vedaranyam Panchayat Union. | 44848·38 × 0·03 = 1245·45 |
| Pattukkottai Panchayat Union | 1,00,196 × 0·03 = 3005·90 |

Assuming that the investment is available for Rs. 100 and multiples of 100 only, the share of each Panchayat Union will be expressed in multiples of hundred. The share due to the Panchayat Unions would then be 1,900,1, 800, 1,800, 3,000, 800, 2,200, 1,200 and 3,000 respectively. If this formula were applied in the case of the non-Panchayat Union portion *viz.*, the portion left for the district board the balance of investment bearing 4 per cent interest that should remain the District Board after the transfer to the Panchayat Unions and be available for transfer to the Panchayat Unions to be formed in future would work out to Rs. 30, 30,400 ×0·03=90,912. The balance of investment actually left with the district Board after the transfer would be Rs. 1,04, 200. The discrepancy is irreconcilable.

B. To find share of each Panchayat Union in investments bearing 4 per cent interest with reference to the formula share of Panchayat Union=

$$\frac{\text{Total investment bearing 4 per cent interest}}{\text{Total amount at the credit of the subscribers on 1st October 1960.}}$$ Total amount at the credit of transferred subscribers

Sirkali Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ X 65,716·16 = 2,206 or 2,200.

Mayuram Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ × 62,003·32 = 2,082 or 2,000.

Kumbakonam Panchayat Union. $\frac{1,19,900}{35,70,041\cdot84.}$ × 61,404·02 = 2062 or 2,000.

Papanasam Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ × 1,01,657·15=3,414 or 3400.

Kivalur Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ × 29,762·26 = 1,913 or 1,900.

Vedaranyam Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ × 44,848·38 = 1,506 or 1,500.

Tiruturaipundi Panchayat Union. $\frac{1,19,900}{35,70,041\cdot84}$ × 74,053·77 ×74,053·77=74,053·77 = 2,487or 2,400.

Pattukottai Panchayat Union .. $\frac{1,19,900}{35,70,041\cdot84}$ × 1,00,196·78 = 3,365 or 3,309

| | | |
|---|---|---|
| Balance left with the District Board 1,19,900 Less 18,700 | Total .. | 18,700 |
| | | 1,01,200 |
| | Total .. | 1,19,900 |

The share due to the Panchayat Union in various categories of investments *viz.*, those bearing 3 per cent interest, those bearing 3½ per cent interest, National Savings Certificates and National Plan Certificates may be worked out on similar lines.

B. Share of Sirkali Panchayat Union in other categories of investments.—

Those bearing 3 per cent interest. = 3,41,300 × $\frac{65,716\cdot16}{35,70,041,84}$
= 5,559 or 5,500

Those bearing 3½ per cent interest. = 3,70,000 × $\frac{65,716\cdot16}{35,70,041\cdot84}$
= 6,810 or 6,800

National Savings Certificates .. = 3,77,000 × $\frac{65,716\cdot16}{35,70,041\cdot84}$
= 6,971 or 6,900

National Plan Certificates .. = 23,34,825 × $\frac{65,716\cdot16}{35,70,041\cdot84}$
= 42,978 or 42,900.

NOTE.—(1) It is asssumed that the investments are actually available in denominations of 100.

(2) Sirkali Panchayat Union has been selected for purpose of illustration. Share due to the other Panchayat Unions should be calculated on similar lines.

*assets to be transferred to the Sirkali Panchayat Union.*—

| | | RS. nP. |
|---|---|---|
| (i) Insvestments bearing 3 per cent interest | .. | 5,500·00 |
| (ii) Insvestments bearing 3½ per cent interest | .. | 6,800·00 |
| (iii) Investments bearing 4 per cent interest | .. | 2,200·00 |
| (iv) Investments bearing National Savings Certificates. | | 6,900·00 |
| (v) Investments bearing National Plan Certificates. | | 42,900·00 |
| Total | .. | 64,300·00 |
| Cash | .. | 1,416·16 |
| Total asset to be transferred | .. | 65,716·16 |

(Memo. No. 228353//T6/60-3, R.D., dated 17th February 1961.)

## DISTRICT BOARDS—ASSETS AND LIABILITIES—PROVIDENT FUND INVESTMENTS—TRANSFER TO PANCHAYAT UNIONS.

A copy of the letter cited from the Examiner of Local Fund Accounts, Madras, addressed to the Special Officer, Thanjavur District Board, together with its enclosure is communicated to the Collector of Thanjavur. The Collector is informed that the Government agree with the views of the Examiner of Local Fund Accounts. The Collector is, therefore, requested to see that the Provident Fund Accounts of Thanjavur District Board are closed without further delay and transferred to the Panchayat Union Councils concerned in the district on the lines suggested by the Examiner of Local Fund Accounts in his letter cited.

ENCLOSURES.

(i)

*Copy of letter L.F. (A) No. 133, dated 5th April 1961 from the Examiner of Local Fund Accounts, Madras, addressed to the Collector and Special Officer, Thanjavur District Board.*

[Accounts—Provident Fund—Thanjavur District Board—Assets and Liabilities—Investments—Transfer to Panchayat Union Councils—Clarification—Sought for. *Reference.*—Your letter Rc. B1-No. 40644/59, dated 14th March 1961.]

According to rule 2 of the rules relating to the preparation and submission of accounts by District Boards, the monthly account for each month shall be closed and abstract of such accounts forwarded to the auditor not later than the end of the month following. As such the monthly accounts upto February 1961 including the Provident Fund should have been closed now. If this has been done, the

figures under the Provident Fund under subscription as on 1st October 1960 would be available now for the purpose of the transfer of the Provident Fund amount to the Panchayat Union Councils.

As regards the adjustment of interest and bonus to the account, the procedure suggested in your letter cited is not agreeable for the following reasons. According to rules the interest on the Provident Fund for each year is credited to the accounts of the subscribers on the amount at credit of the subscribers on the 31st March of the preceding year (less any sums withdrawn during the year) and also on the subscriptions credited to the subscribers' account after 31st March of the preceding year. In this case the interest due on the opening balance as on 1st April 1960 under subscription and bonus may therefore be calculated for a period of six months. The interest due on the subscriptions realized from April 1960 to September 1960 may also be calculated if the accounts have been closed promptly up to 30th September 1960. As regards the bonus the same is credited to the accounts of the subscribers with reference to the emoluments drawn by the subscribers during the period and as such the bonus to be credited to the accounts for six months may also be calculated and added to the accounts.

If the above procedure is adopted the total amount at credit as on 1st October 1960 in the Provident Fund account can be arrived at for the purpose of distributing the investments to the Panchayat Unions. It is therefore requested that urgent action be taken in this regard to arrive at the amount at credit in the Provident Fund as on 1st October 1960 and to distribute the investments according to the formula suggested in Government Memorandum No. 228353/T6/60-3, R.D., dated 17th February 1961 as according to the instructions in Government Memorandum No. 120582/T6/60-5, dated 14th September 1960 the Provident Fund accounts due to Panchayat Unions should have been closed on or before 31st December 1960.

(ii)

*Copy of letter R.C. B1-40. 40644/59, dated 14th March 1961 from the Collector and Special Officer, Thanjavur District Board to the Examiner of Local Fund Accounts.*

[Accounts—Provident Fund—Thanjavur District Board—Assets and Liabilities—Investments—Transfer to Panchayat Union Councils—Clarification—Sought for. *Reference.*—Government Memorandum No. 228353/T6/60-3/R.D., dated 17th February 1961.]

When clarifications relating to the transfer of assets and liabilities to Panchayat Union Councils in respect of Provident Fund accounts and consequent break up of the various kinds of investments made out of Provident Fund was sought for, the Government have in the Memorandum cited been pleased to suggest that the share of each Panchayat Union Council should as far as possible be in proportion with the amount at the credit of the subscribers as per the Provident

Fund ledger and have given the following formula to be adopted in arriving at the amounts to be transferred to the Panchayat Unions under the various investments:—

$$\frac{\text{Total investment bearing particular interest}}{\text{Total amount at the credit of the subscribers on 1st October 1960.}} \times \text{Total amount at the credit of the subscribers transferred.}$$

The share due to the Panchayat Unions in various categories of investments, viz., those bearing 4 per cent interest, those bearing $3\frac{1}{2}$ per cent interest, etc. National Savings Certificates and National Plan Certificates has to be worked out applying the above formula and the result expressed in multiples of 100 only.

To work out the share of each Panchayat Union applying the formula, the total amount at the credit of the subscribers in the composite Ditsrict Board, i.e., the amount at the credit of the subscribers as on 1st October 1960 has to be arrived at. For this purpose the exact total amount at the credit of the subscribers is not readily available. Only receipts under subscriptions up to 30th September 1960 are available. As for bonus and interest the accounts for 1960–61 are yet to be completed and the contribution from the District Board and the interest payable on the subscription and the bonus is to be credited only after 31st March 1961 and hence actual figures for 6 months from 1st April to 30th September 1960 could not be arrived at. To arrive at the total of bonus and interest from 1st April 1960 to 30th September 1960, I propose to take account 50 per cent of the bonus plus interest credited for the year 1959–60 adding the same to the total credit as on 31st March 1960.

I request to be informed, if the total amount at the credit of subscribers of the composite District Board as on 1st October 1960 may be taken on the above basis and the amounts transferable to each Panchayat Union arrived at on the formula given by the Government. As the distribution of investments has already been delayed, I request you to send an early reply in the matter.

(Memo. No. 67323/T6/61-1, R.D. and L.A., dated 10th April 1961.)

## TRAVELLERS' BUNGALOWS—VESTED IN DISTRICT BOARDS—MAINTENANCE AFTER FORMATION OF PANCHAYAT UNIONS—BY DIVISIONAL ENGINEER (HIGHWAYS AND RURAL WORKS)—G.O. MS. No. 478, L.A., DATED THE 14TH MARCH 1960—AMENDMENT—ISSUED.

In G.O. Ms. No. 478, L.A., dated the 14th March 1960, it has been ordered that the Travellers' Bungalows and Rest Houses which are already maintained by the Highways Department as well

as those which will be transferred from the District Boards and Panchayats under the Madras Panchayats Act, 1958, should be maintained by the Highways Department from State Funds, and that the control over Travellers Bungalows and rest-houses and the power of allotment of rooms in them should vest in District Collectors.

2. The Collector of Tirunelveli has reported that the procedure for issuing reservation orders for the travellers bunglows and rest-houses under the control of the District Boards after collecting reservation charges and rent in advance by the District Board would involve additional work in the Collector's office and safe custody of the amount collected. He has, therefore, directed the Divisional Engineer (Highways and Rural Works), to take up complete management and maintenance of the travellers bungalows including reservation, subject to the control of the Collector who will be competent to cancel the reservation and do any fresh reservation under special circumstances. He has suggested that the present procedure of collecting fees and rent for one day in advance in respect of the district board travellers bungalows and rest houses taken over may be continued. The Collector has requested that his action in having adopted the revised procedure may be ratified. The Board of Revenue has recommended that the procedure suggested by the Collector of Tirunelveli may be adopted.

3. The Chief Engineer (Highways and Rural Works) has reported in this connection that the orders issued in G.O. Ms. No. 478, L.A., dated the 14th March 1960, may be modified vesting the power of reservation of travellers bungalows and rest houses in the Assistant Engineer and Section Officers of the Highways and Rural Works Department as in the case of travellers bungalows and rest houses under the control of Highways Department.

4. The Government have examined the suggestion of the Collector of Tirunelveli and the Chief Engineer (Highways and Rural Works) and direct in partial modification of the orders issued in G.O. Ms. No. 478, L.A., dated the 14th March 1960, that the Divisional Engineer (Highways and Rural Works) should take up the complete management and maintenance of the travellers bungalows subject to the control of the Collector who will be competent to cancel the reservation and do any fresh reservation under special circumstances. The present procedure of collecting reservation fees and rent for one day in advance in respect of the district board travellers bungalows and rest houses should be continued. The Divisional Engineer (Highways and Rural Works) may entrust the work of actual reservation and collection of rent to the local officers like Assistant Engineers or Section Officers subject to supervision and control by him.

5. The action of the Collector of Tirunelveli in having entrusted the work of reservation of travellers bungalows to the Divisional Engineer (Highways and Rural Works), Tirunelveli, is ratified.

**(G.O. Ms. No. 1343, R.D., and L.A., dated 11th May 1961.)**

DISTRICT BOARDS—COMMON ASSETS OF DISTRICT BOARDS NOT TRANSFERABLE TO ANY PANCHAYAT UNION—DISTRICT BOARD OFFICE BUILDINGS, JEEPS, FURNITURE, ETC.—DISPOSAL AFTER DISTRICT BOARDS CEASE TO EXIST—INSTRUCTIONS.

In Memorandum No. 120582/T6/60-10/R.D., dated 4th October 1960, the Collectors were informed that District Board office buildings and other immovable properties situated in the headquarters of the District Board within the municipal limits and moveables of capital value, such as iron-safes, sup-hoards. etc., should be treated as common properties of the district boards which could not be transferred to any particular Panchayat unions when the district boards cease to exist and that the Government will decide as to which of these properties should be handed over to the panchayat unions.

2. The following instructions are now issued with reference to the transfer of district board office buildings, district board jeeps and movable properties of district boards like furniture, etc., which could not be transferred to any particular panchayat union when the district boards cease to exist:—

(a) *Transfer of district board office buildings situated in municipal limits.*—(i) With the constitution of District Development Councils in every Development District, the District Development Council will require accommodation for holding its meetings and running its office. For this purpose, the district board office building together with its furniture will be useful. So, the Government have now decided that the district board office buildings together with such of the articles as are required at the headquarters for the use of the District Development Council meetings and its office should be taken over by the Collector when the district boards cease to exist.

(ii) Afer taking over the ex-district board office buildings by the Collectors, the maintenance of the district board office buildings will be with the Highways and Rural Works Department. The Collectors will have the custody of the buildings.

(iii) At present, some Government offices are occupying a portion of the district board office buildings. The Government have, however, no objection for the occupation of the other offices like Divisional Engineer's office etc., which are associated with the Panchayat Union Council works.

(iv) Surplus accommodation, if any, avaliable may be let out on rent by the Collectors to such of those panchayat unions which are adjacent to District Headquarters but which have no accommodation of their own in their block headquarters till such time they move to their own buildings in their block headquarters.

(b) *District board jeeps.*—For every block, the Government have sanctioned a jeep. The district board jeeps or vans which may be available when the district boards cease to exist, should

be transferred to such of the panchayat unions which have no jeeps. If all the panchayat unions in the district ,have jeeps the ex-district board jeeps or vans, as the case may be, should be taken over by the Personal Assistant to the Collector (Local Administration).

(c) *Transfer of furniture, iron-safes, cycles, typewriters, etc.*—(i) In Memorandum No. 106764/T6/61-1, dated 20th June 1961 and in Memorandum No. 99031/T6/61-1, dated 30th June 1961, the Government decided that the Collectors should after retaining such of those articles as are required at the headquarters for the use of District Development Councils, distribute the rest to the third batch of panchayat unions. The Collectors are now requested to take similar action in respect of the furniture, iron-safe, bicycles, typewriters, etc., which will become available when the district boards cease to exist.

(ii) If after the distribution of the above articles to the District Development Councils and the panchayat unions, any article remains undisposed of, the Collectors should keep them in stock for distribution to the panchayat unions and District Development Councils for their future requirements. A report of such articles available, should be sent to Government for their information.

3. A list of furniture, properties, etc., taken over for the use of the District Development Councils and the jeeps taken over by the Government for the use of the Personal Assistant to the Collector (Local Administration) should be reported to Government.

4. A list of ex-district board properties which were transferred to the panchayat unions in pursuance of these orders should be submitted by the Collectors to the Government as early as possible.

**(G.O. Ms. No. 2104, R D., and L.A., dated 25th July 1961.)**

## ENDOWMENTS—ENDOWMENTS MANAGED BY DISTRICT BOARDS—ADMINISTRATION AFTER DISTRICT BOARDS CEASE TO EXIST—INSTRUCTIONS.

At present the district boards are managing certain endowments. These endowments can be broadly classified as follows :—

(i) Situation of endowed properties in *one* panchayat union and utilization of income from those properties in *another* panchayat union ;

(ii) situation of endowed properties in *more than one* Panchayat union and utilization of income from those properties in *another* panchayat union ;

(iii) situation of endowed properties in *one* Panchayat union and utilization of income from those properties in *more than one* panchayat union; and

(iv) situation of endowed properties in *more than one* panchayat union and utilization of income from those properties in *more than one* panchayat union.

2. When the district boards finally cease to exist, there should be suitable arrangements for the management of these endowments. The Government consider that the different classes of endowments will have to be dealt with in different ways with reference to the circumstances of each case. The Government therefore direct that the Board of Revenue should examine each such case individually and should pass suitable orders in each case and until then, the Collectors of the districts (in their capacity as Special Officers of the District Boards) should continue to administer the endowments.

3. The Special Officers of District Boards are requested to furnish full details of the endowments managed by the respective district boards to the Board of Revenue (with copies to the Collectors) for the issue of the orders referred to in paragraph 2 above.

**(G.O. Ms. No. 2184, R.D. and L.A., dated 14th August 1961.)**

## PANCHAYATS—REGULATION OF USE OF ASSESSED WASTE, UNASSESSED WASTE AND NATHAM PORAMBOKE LANDS, ETC.—INSTRUCTIONS.

In G.O. Ms. No. 608, L.A., dated the 4th April 1960, Government issued orders, in furtherance of the various statutory provisions contained in the Madras Panchayats Act, 1958, regarding the vesting of certain properties in the panchayats and regarding the handing over to the panchayats of the power to use certain other public properties in the village. Under this order, porambokes belonging to the following categories were vested in the Panchayats :—

(i) Grazing grounds.
(ii) Threshing floors.
(iii) Burning and burial grounds.
(iv) Cattle-stands
(v) Cart-stands, and
(vi) Topes.

These lands vest statutorily in the panchayats and the entire power for determining the method of utilizing these lands for the common public benefit vest in the panchayats. These powers include the powers to utilize these areas for the plantation of new trees on growing of other types of crops intended for the increase of local manurial resources.

2. In the same order and in pursuance of other sections of the Madras Panchayat Act, 1958, all public water courses not connected with irrigation and all roads not classified as National Highways, State Highways or Panchayat Union Roads, were also vested

in the panchayats. These orders provide that the panchayats will have no right to assign or alienate the properties to other persons and that the panchayats should use the lands so vested in them for the purpose or purposes for which they are vested or alienated.

3. In the same order Government provided that any panchayat may apply for authorisation to regulate the use of any poramboke for the benefit of the village and that on such application, the Collectors should issue an authorization unless there are special reasons to the contrary.

4. The question has been raised repeatedly as to what is the power of the panchayat in regard to the utilization of (i) assessed wastes; (ii) unassessed wastes; and (iii) natham porambokes. Government have examined this question in detail. They wish, at the very outset, to make it clear that it is the intention of Government that all available public lands at the disposal of Government (which it is not necessary in the public interest to continue to be directly administered by the Government through any of its departments), should be made available to the panchayats for the utilization by the panchayat for the common benefit of the village. Keeping this main purpose in view, the Government have examined the question of utilization of the three categories of lands mentioned above; and direct that the following orders should be put into effect :—

(i) *Assessed wastes.*—Assessed waste lands are public lands in the village not held on patta by any private individual; but classified as assessed wastes in view of the fact that such lands are considered fit for cultivation at such time as some person so interested may apply. The Board's Standing Orders and various orders of Government in the matter regulate the question of assignment of such assessed waste lands to deserving applicants. Government have examined the question whether such lands should be made over to the panchayats and if so in what form. It would be in the public interest if the panchayats are enabled to utilize these lands for a suitable public purpose. Such public purpose would include the raising of fuel, fodder or green manurial plantations in the promotion of agriculture or animal husbandry. At the same time, it has to be kept in mind that there is continuous demand for the assignment of these lands to private persons for cultivation. Taking these factors into consideration Government direct that all lands classified as assessed wastes in the village should be available to the Panchayat for any public purpose. In so utilizing such assessed wastes for public purposes, the Panchayats will not be expected to obtain the permission of any authorities in the matter. It should, however, be distinctly understood that it is not the intention of Government that the Panchayat should be given the power to permit the creation of rights by private parties in such assessed wastes. The assessed wastes will, therefore, be made available to the Panchayats subject to the specific understanding that it will not be open to the Panchayat to permit

the creation of any private right in such lands by assignment, lease or any other form of private ownership. The creation of any such rights will not be binding on the State Government. It should also be clearly understood that Government through the Revenue Divisional Officer will, at all times, be entitled to revoke the permission on due notice and resume for such purposes as they deem fit. any or all portions of such assessed wastes for use by Government Departments, for assignment to private individuals or for any other purposes. In such case the Panchayat will not be entitled to any form of compensation.

(ii) *Unassessed wastes.*—With regard to lands classified as unassessed waste the position has already been indicated in G.O. Ms. No. 608, L.A., dated the 4th April 1960. In paragraph 3 of this order it has already been pointed out that all unassessed waste lands should be deemed to be unreserved land vesting in the Panchayat concerned under the Act. All unassessed waste lands will, therefore, normally vest in the Panchayat. The Panchayat will be fully free to utilise these unassessed waste lands for any public purpose.

(iii) *Natham porambokes.*—The present rules relating to natham porambokes are governed by the rules relating to the assignment of house-sites under the Board's Standing Orders. In dealing with the question of utilisation of natham porambokes, it has got to be remembered that except for the general survey sketches relating to the survey numbers included in the natham porambokes, detailed survey sketches relating to the areas actually occupied in the natham are not available in respect of many villages. Government, however, direct that in respect of all portions of natham porambokes which were unoccuped as on the 1st January 1961 it will be open to the Panchayat to utilise any such portion of the natham poramboke for any public purpose relating to panchayat administration without prior permission from any authority. If in any case in which a dispute exists or is likely to arise as to whether any particular portion of the natham poramboke is unoccupied or forms part of a private house-site the Panchayat should take care not to get involved in the dispute, it should refer the matter for a decision by the Revenue Divisional Officer before taking any action on the utilisation of that portion of the natham poramboke by the Panchayat. The restrictions regarding the creation of private rights mentioned above in respect of assessed wates will apply fully in this case also. Government will also be entitled to resume any portion of the natham poromboke for any purpose as they deem fit without the Panchayat being entitled to payment of any compensation for the land.

5. In respect of these classes of public lands, it is likely that encroachments exist as on the date of the implementation of this order. Wherever such encroachments exist, the power of the Panchayat in the utilisation of such public lands on the basis of

this order will not become operative until such time as the encroachment is dealt with by the Revenue Department and a decision taken either regularizing the encroachment by the grant of necessary pattas or by carrying out an eviction. In respect of encroachments made by private persons in these lands after this order becomes operative, it will be open to the Panchayat to complain against such encroachments to the Officers of the Revenue Department and to seek eviction under the Madras Land Encroachments Act, 1905. This procedure would apply in respect of all lands entrusted to the Panchayat under executive instructions. In respect of lands statutorily vested in the Panchayat it will be open to the Panchayat to follow the procedure laid down in the Madras Panchayats Act, 1958 and the rules framed thereunder for getting the encroachments evicted. Whenever a dispute exists regarding the occupation of any portion of the public lands dealt with in this order, the Panchayat will refer the matter to the Revenue Divisional Officer concerned for a decision and the decision of the Revenue Divisional Officer shall be final.

6. Collectors are requested to bring the contents of this order to the notice of all panchayats.

(G.O. Ms. 972, R.D. and L.A., dated 4th April 1961.)

## PANCHAYAT ADMINISTRATION—FISHERY RIGHTS OF PANCHAYATS AND PANCHAYAT UNIONS—ASSIGNMENT OF FISHERY RENTAL REVENUE TO PANCHAYATS AND PANCHAYAT UNIONS—ORDERS.

In G.O. Ms. No. 261, Local Administration, dated the 1st February 1941, the following classification of tanks was made for the purpose of fishery rentals :—

(i) Tanks vested in Local Boards as sources of drinking water;

(ii) tanks in charge of Revenue or Public Works Department taken over by the Fisheries Department for stocking and developing fish;

(iii) irrigation tanks under the control of the Public Works Department constructed prior to the 20th February 1914;

(iv) irrigation tanks under the control of the Public Works Department not constructed on the 20th February 1914 or constructed by the Public Works Department after that date:

(v) irrigation tanks under the control of the Revenue Department which were not under construction on 20th February 1914 or which were not constructed after that date by the Public Works Department;

(vi) tanks which vest in local boards but which are neither drinking water nor irrigation sources;

(vii) tanks which do not vest in local boards and which are neither private property nor irrigation sources; and

(viii) tanks which are provided by the local boards and belong to them.

2. The fishery rights in the tanks referred to in clauses (i) to (vii) were ordered to be sanctioned and the rentals collected by the Officers of the Revenue Department or by an agency of the Government's choice. It was also ordered that the sale proceeds should be credited to the provincial revenue and portions assignable to the local boards should be assigned to them in such manner as might be laid down from time to time. The right of fishery in respect of tanks under clause (viii) was to be auctioned by the local bodies concerned and the rentals appropriated by them.

3. The position has now to be reviewed in the light of the provisions of the Madras Panchayats Act, 1958. According to section 85 (3) of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the fishery rights of Government in irrigation works transferred to the Panchayats/Panchayat Union Councils under section 85 (1) of the Act shall vest in the Panchayats. Section 84 (1) of the Act provides for the vesting of all public water courses, springs, reservoirs, tanks, cisterns, fountains, wells, stand pipes and other water works (including those used by the public to such an extent as to give a prescriptive right to their use) except works of irrigation or those connected with such works. Section 83 of the Act empowers the Government to declare that any fishery right, which by custom belongs to, or has been administered for the common benefit of the inhabitants of the village or town or of the holders in common of village land generally or of the holders of lands of a particular description or of the holders of lands under a particular source of irrigation, shall vest in the Panchayat and be administered by it for the benefit of the inhabitants or holders aforesaid. In G.O. Ms. No. 711, Rural Development and Local Administration, dated the 16th April 1960, the Government directed that minor irrigation sources in charge of the Revenue Department, provided they do not form part of any river irrigation system, shall be transferred to the control of the Panchayat Unions under section 85 (1) of the Madars Panchayats Act, 1958, subject to the conditions stipulated therein. The Panchayat Unions have also been empowered to transfer these minor irrigation sources in their turn to the Panchayats under section 71 (2) of the Act.

4. The above changes brought about by the Madras Panchayats Act, 1958, necessitate a reclassification of the fisheries ordered earlier in G.O. Ms. No. 261, dated the 1st February 1941. The

Government have examined the matter in consultation with the Heads of Departments concerned and direct that the classification of fisheries be changed as follows :—

I. Irrigation sources maintained by the Public Works Department and treated as—

(A) Provincialised sources, *or*

(B) non-provincialised sources for purposes of stocking and development of fisheries.

II. Irrigation sources maintained by the Revenue Department so long as they are not entrusted to Panchayat Unions.

III. Irrigation sources which are entrusted under section 85 (1) of the Madras Panchayats Act, 1958, to Panchayat Unions and are maintained by them.

IV. Irrigation sources which are entrusted to Panchayat Unions under section 85 (1) of the Madras Panchayats Act, 1958, but whose maintenance is actually carried out by Panchayats (as agents of the Panchayat Unions).

V. All public water sources other than irrigation sources which are—

(A) vested in the Panchayats, and

(B) not vested in the Panchayats.

The distinction between pre-1914 and post-1914 sources will be abolished.

The position regarding the management of the fishery or the apropriation of income realised therefrom is set out in the following paragraphs in respect of each class of sources separately.

5. *Class I-A—Provincialised irrigation sources maintained by the Public Works Department.*—The present position will continue unchanged. Auctioning or appropriation of fishery income in these cases should continue to be made as hitherto. The Panchayat Administration will not be responsible for, or have any rights in, the fisheries in these sources.

6. *Class I-B—Non-provincialised irrigation sources maintained by the Public Works Department and Class II—Irrigation sources maintained by the Revenue Department so long as they are not entrusted to Panchayat Unions.*—In respect of these two classes of sources, the present procedure of auctioning by the Revenue Department should be continued. But the fishery income realised by such auction should go to the Panchayat Union of the Block concerned. The money will be credited to the accounts of the Panchayat Union in the Production Fund. The Panchayat or the Panchayat Union concerned will be free to bid at such auction sale.

7. *Class III—Irrigation sources entrusted to Panchayat Unions under section* 85 (1) *and maintained by them.*—The management of the fisheries in such sources should be entrusted to the Panchayat Unions concerned. The Panchayat Union should have the right to hold auctions, appropriate the fishery income realised and credit the proceeds to the Production Fund.

8. *Class IV—Irrigation sources entrusted to Panchayat Unions under section* 85 (1) *but whose maintenance is actually carried out by the Panchayats.*—The management of the fisheries in such sources should be entrusted to the Panchayat concerned. The Panchayat should have the right to hold auctions and appropriate the fishery income realized.

9. *Class V-A—All public water sources (other than irrigation sources) which are vested in the Panchayats.*—The Panchayats will hold the auction and appropriate the income.

10. *Class V-B—All public water sources (other than irrigation sources) not being vested in the Panchayats.*—The existing position will continue. The Department or other authority in charge of the maintenance of the water work will continue to deal with all fishery rights and appropriate the income therefrom.

11. In respect of fishery rights falling under Classes III, IV and V-A, the Panchayat has been empowered to conduct the auction of the fisheries. However, the attention of the Panchayats in such cases is invited to the instructions issued in G.O. Ms. No. 304, Food and Agriculture, dated 31st January 1961. It was directed therein that in all the inland waters where the right to auction the fisheries vests with the Government, the fishery rights for the first two years, i.e., 1961 and 1962, should be sold in open auction and that for the next two years, i.e., 1963 and 1964 the fishery rights should be leased out to Fishermen Co-operative Societies at a rental based on the average of the auction bid amounts of 1961–62. It was also provided in that order that to make a Fishermen Co-operative Society eligible for the preferential treatment, eighty per cent (80 per cent) of the members of the society should be persons engaged in fishing and should also be normally residents of the locality, and that the society should also be financially sound, these conditions being certified by the Assistant Director of Fisheries, before the society applied for the lease. But the right to conduct the auction of fisheries in the three classes of tanks referred to above, which constituted the major portion of Government's share of fisheries so far, now stands transferred to the Panchayats by virtue of the present order. However, the Government desire that the proposal to accord preferential treatment to Fishermen Co-operative Societies should be implemented by the Panchayats, as far as practicable. The procedure recommended for adoption by the Panchayats in such cases after 1964 will be indicated in due course.

12. It will be observed that the fishery income realised from sources falling under Classes I-A and V-B will continue to be appropriated as at present. In respect of sources falling under Classes I-B, II and III, the income will be credited to the Production Fund of the Panchayat Union concerned. The fishery income realised from sources falling under Class IV and Class V-A will be credited to the Panchayat Fund concerned. Government direct

that the Panchayat Union or the Panchayat, as the case may be, shall utilise the fishery income solely for productive purposes of the nature specified below, viz. :—

*First* expenditure involved in restocking of fishery in the sources concerned; *Secondly* expenditure involved in the maintenance of the work including the performance of Kudimaramat relating thereto and *Thirdly* expenditure relating to any other purpose calculated to increase the production of food.

13. Among the different classes of public water sources mentioned above, there may be cases where private individuals are in possession and enjoyment of the fishery rights on the basis of a fishery patta.

In certain cases (even when rights are enjoyed under a fishery patta) customary obligations exist under which the fishery income should be utilised for specified public purposes (e.g., maintenance of water works, temples and temple services, festivals, etc.). In all such cases where customary obligations are known to exist, the Collector may be moved by the Panchayat Union or the Panchayat concerned to determine and lay down the nature of such obligation. It will be open to the Panchayat to exercise such supervision as may be necessary to satisfy itself that the fishery income is properly realised and properly utilised on the discharge of customary obligations. The Panchayat may apply to the Collector for the resumption of the fishery rights in the event of the obligation not being duly discharged and for moving the Government for vesting the same in the Panchayat by issue of necessary declaration under section 83 of the Act. In the event of such vesting, the customary obligation will be binding on the Panchayats and should be discharged by them.

If in any case fishery rights are enjoyed by private persons on the basis of a fishery patta without being burdened by any customary obligations, such possession and enjoyment should continue undisturbed.

Panchayats are likely to get involved in wasteful litigation of this distinction is not borne in mind.

14. In other cases where fishery rights in public water sources are enjoyed by private person without a fishery patta—

(i) there may be cases where the fishery rights amount to a right created by adverse possession; and

(ii) there may also be cases where the fishey rights are enjoyed but no permanent rights have been acquired by adverse possession.

In the first mentioned class of cases, the Collector should conduct the necessary enquiries and regularise the right of enjoyment by issuing fishery pattas. If the right is enjoyed subject to a customary obligation to use the income for specified public purposes

he should record the obligation and specify the purpose. In cases where there is neither a patta nor proof of established possession the fishery rights should be transferred to and vested in the Panchayat Union or Panchayat as the case may be.

15. *Treatment of rent on patta fisheries.*—The rent derived by the Government from fishery pattas should be transferred to the Panchayat Union or Panchayat as the case may be.

16. The Collectors of all districts are required to bring these orders to the notice of all Panchayats and Panchayat Unions and to take action accordingly.

**(G.O. No. 1370, L.A., dated 16th May 1961.)** Page 294-299

PANCHAYAT ADMINISTRATION—FISHERY RIGHTS OF PANCHAYATS AND PANCHAYAT UNIONS—ASSIGNMENT OF FISHERY RENTAL REVENUE TO PANCHAYATS AND PANCHAYAT UNIONS—CERTAIN CLARIFICATIONS.

In G.O. Ms. No. 1370, R.D. and L.A., dated 16th May 1961, the Panchayats and Panchayat Unions have been empowered to conduct the auction of the fisheries in certain specified categories of water Sources. The following instructions are issued regarding the persons who are empowered to conduct such auctions on behalf of the local body concerned :—

(a) *Irrigation sources entrusted to Panchayat Unions under section* 85 (1) *and maintenance by them (Class III in the G.O. Ms. No.* 1370, *R.D. and L.A., dated* 16*th May* 1961.—The authority who actually conducts the sale should normally be the Commissioner of the Panchayat Union. But where the Commissioner is not able to do so in any particular case, and where the average annual sale proceeds of the last five years is rupees one hundred or less, the Commissioner may, by a written order, authorise any one of his Extension Officers to conduct the sale. The attention of the Commissioners is invited in this connection to section 44 (6) of the Madras Panchayats Act, 1958.

(b) *Irrigation sources entrusted to panchayat unions under section* 85 (1) *but whose maintenance is actually carried out by the panchayats (Class IV in G.O. Ms. No.* 1370, *R.D. and L.A., dated* 16*th May* 1961); and

(c) *All public water sources (other than irrigation sources) which are vested in the panchayats (Class V-A in G.O. Ms. No.* 1370, *R.D. and L.A., dated* 16*th May* 1961).—In these two cases the actual sale should be conducted by the President, if it is a village panchayat and by the Executive Officer, if it is a Town Panchayat.

**(Memo. No. 117453, P. 2/61-2 R.D. and L.A., dated 1st September 1961.)**

## PANCHAYATS—ENTRUSTMENT—VESTING OF STATE-OWNED TREES TO PANCHAYATS—ORDERS.

The role of the panchayats in the maintenance and safeguarding of public properties in villages has been given full recognition in the Madras Panchayats Act, 1958. Water works, minor irrigation sources, roads, certain specified porambokes, unreserved forests, etc., are being transferred to the panchayats and panchayat unions in order to ensure the maximum utilisation of these properties and to ensure their effective maintenance. Trees on public land constitute one other important asset in the rural areas. The panchayats have been expected to utilise public land wholly vested in them or land whose regulation has been entrusted to them for the planting of more trees in order to increase the fuel, manure and fodder resources of the village and for increasing their own revenues. In order to encourage the panchayats in the discharge of their responsibility, it is essential that existing trees on public lands are vested in them or entrusted to them for their efficient care and maintenance. There are obvious advantages in transferring responsibility for the protection and maintenance of the trees to the representative body in the village. Such transfer is likely to awaken among the rural people, a sense of local public ownership and thereby constitute an effective safeguard against their possible destruction.

2. It has, therefore, been suggested to Government that the revenue from the trees vested or entrusted to the panchayats should be assigned to the panchayats so that the panchayat revenues would also be augmented. Such a course of action would also ensure that the leakage of revenue accruing from the utilisation of trees and their usufructs due either to negligence or to collusion would be minimised as the panchayats would exercise continuous vigilance.

3. The Government have examined these questions in consultation with the Heads of Departments concerned. They accordingly direct that the trees standing on various categories of lands be classified as follows and that the panchayats be given the various responsibilities and rights mentioned against each category. The following classification of lands will be adopted for this purpose :—

(*a*) Patta land.

(*b*) Privately occupied land as on 1st January 1961.

(*c*) Road Porambokes under the custody of the Highways and Rural Works Department relating to categories of roads under the direct maintenance of the State Government.

(*d*) Public Works Department porambokes.

(*e*) Poramboke lands vested in the panchayats, in pursuance of the Panchayats Act, 1958.

(*f*) Land, the use regulation of which has been entrusted to the panchayat under section 86 (iv) of the Madras Panchayats Act, 1958 and G.O. Ms. No. 608, dated 4th April 1960.

(*g*) Non-vested and unentrusted public land other than those mentioned above.

4. *Patta land.*—The panchayats will have no rights over trees on patta lands. These orders will not in any way alter the rights of pattadars or Government in respect of such trees.

5. *Other privately occupied land.*—If trees have been planted on Government lands by private persons before 1st January 1961 or if there are trees within portions of Government land privately occupied prior to 1st January 1961, then the panchayats or panchayat unions will have no right over such trees until the private occupation is regularised or evicted. In case the private occupation is legalised by assignment of the land to the encroacher or to any other, the panchayat or the panchayat union will have no rights over such trees. In case of occupation is evicted or is *suo mota* vacated, then the panchayats will have the rights over the trees in accordance with the provisions of the rest of these orders depending on the category in which the land falls.

6. *Road poramboke of the Highways and Rural Works Department.*—The responsibility for planting as well as protection and maintenance of trees on road margins of all highways now rests with the Department of Highways and Rural Works. According to the present procedure, the usufruct of trees as well as withered and wind-fallen trees are sold in public auction. The control over the ownership, maintenance, etc., of all standing trees on such roads should continue with the Highways and Rural Works Department. The Department will also continue to be responsible for the planting of new trees and for their protection and growth. Government now direct that the Highways and Rural Works Department should lease out all such trees to the panchayat unions for the exploitation of the usufructs of such trees on payment of rent by the panchayat union equal to the average annual rent realised by sale of usufructs of these trees for the last four years.

7. Withered and wind-fallen trees will also he handed over to the panchayat unions for sale on payment of a price by the panchayat union to the Highways and the Rural Works Department. Such price will be calculated on the basis of a seigniorage rates to be fixed. The junior Engineer in-charge of the Highways should certify that the trees in question is withered or wind-fallen and will notify the concerned panchayat union to take over the trees and effect the sale.

8. The panchayat union need not plant trees on Highways road-margins. Under section 64 (*a*) of the Madras Panchayats Act, 1958, any panchayat which desires to plant trees on such road

margins may do so subject to such terms and conditions as may be laid down by the Highways and Rural Works Department. Government direct that the Assistant Engineers of the Highways and Rural Works Department be authorized to determine suitable terms and conditions for the planting of such trees by the panchayats wherever the Panchayats so desire.

9. These arrangements will relate only to road porambokes and not to other classes of porambokes in the custody and control of the Highways and Rural Works Department.

10. *Public Works Department porambokes.*—In respect of porambokes under the control of the Public Works Department the arrangements detailed below will apply to land appurtenant to water spreads and water sources and will not apply to other types of lands like those appurtenant to buildings, etc.

11. Even in respect of water spreads and water courses, the Public Works Department will lay down certain classes of lands which will be exempt from the application of this order. The areas required for the formation of Korambus or for other departmental work will be excluded from the purview of these arrangements. The Public Works Department will communicate to the Collector of the district concerned a list of excepted categories of Public Works poramboke lands for the purposes of these arrangements.

12. In respect of all lands not so excepted, the entire rights relating to the planting, protection, maintenance, enjoyment of usufructs, sale and appropriation of the proceeds of withered and wind-fallen trees, will, in future, vest with the panchayat concerned.

13. Subject to such instructions as may be given by the Public Works Department it will be open to Panchayats concerned to plant trees on these lands, enjoy the usufructs, dispose of withered and wind-fallen trees and do all other things that may be necessary for the promotion of planned trees growth. Auction sales in respect of usufructs of trees standing on these lands as well as of withered and wind-fallen trees will be conducted by the Panchayat itself.

14. *Vested Public lands.*—Some categories of poramboke lands including cattle-stands, cart-stands, burning and burial grounds, topes and unreserved forests vest in the Panchayats under the provisions of the Madras Panchayats Act, 1958. In respect of trees standing on all such lands vested, the entire rights of Government will stand transferred to the Panchayat of the village concerned. The Panchayat will be entitled to the exploitation of the usufructs of trees standing on such porambokes. The Panchayat will also be entitled to the withered and wind-fallen trees on these lands. The Panchayat will conduct auctions for the sale of the usufructs as well as for the sale of withered trees and will be entitled to credit the proceeds of such sale to its own funds.

15. *Poramboke lands entrusted to the Panchayat for use—Regulation.*—The provisions set out above in respect of vested land will also apply in this case.

16. *Non-vested and un-entrusted public lands other than those mentioned above.*—The Panchayats will have no right over trees on these lands and the planting, protection, maintenance and utilization of these trees will continue to remain with the department concerned.

17. *Private rights by 2-C patta, etc.*—All existing private rights by way of 2-C patta in respect of trees standing on public land (whether vested, entrusted or otherwise) will continue to remain wholly unaffected by these orders. The entire amount of 2-C tax revenue collected from private parties will hereafter be credited to the Panchayats.

18. No new 2-C patta will be granted subsequent to the date of this order except on the recommendation of the Panchayat concerned. 2-C patta, if any, will be granted subject to the payment of tax at rates to be specified by the Panchayats which shall not be less than those leviable under the existing rules relating to this subject.

19. The Revenue Divisional Officer may by an order and after giving the Panchayats due notice withdraw the right of the Panchayat over trees in all classes of non-vested public land including the trees planted by the Panchayats or by others, if in his opinion the trees entrusted to the Panchayat in pursuance of this order are not being properly safeguarded or maintained. In respect of the porambokes belonging to the Highways and Rural Works Department and the Public Works Department similar powers of withdrawal will also be exercised by the Divisional Engineer or the Executive Engineer concerned in consultation with the Revenue Divisional Officer. Where the Revenue Divisional Officer differs from the Divisional Engineer or the Executive Engineer the matter will be referred to the Collector whose decision in the matter will be final. When trees are so withdrawn from the Panchayat, the Panchayat will not be entitled to claim any compensation whatsoever, even in respect of trees planted by the Panchayat itself.

20. If the immediate removal of a tree or trees on any non-vested public land including those of the Public Works Department or the Highways Department becomes necessary in the interest of public safety or public convenience, then the Revenue Divisional Officer or the Divisional Engineer or the Executive Engineer as the case may be will have the power to have the tree or trees cut and removed. Such felled trees will be handed over to the Panchayat to be sold in public auction and for crediting the proceeds of such sale to the Panchayat funds. The Panchayat will not be entitled to any compensation whatsoever even in respect of trees planted by the Panchayats.

21. When a non-vested public land is assigned by Government to a private party the order of assignment shall be deemed to cover the transfer of rights relating to the trees standing on such lands to the assignee. The Panchayat will not be entitled to the payment of any compensation in respect of such trees. The same provision will also apply in cases where such public land is taken over for the use of a Department of Government.

22. In Thanjavur district the Government do not claim the ownership of trees held under the Special Trees Tax System or of trees planted by ryots of channels and river bank, on padugai poramboke or within 20 yards of the deep bed of rivers provided the trees were planted before the fasli 1364 in the last mentioned case and in other cases prior to 1st July 1927. It follows, therefore, that in regard to such trees the Panchayats will have no rights whatsoever.

23. The ownership of all sandalwood trees on any public land existing at present or which may grow subsequent to the date of this order in the special tracts noted below will continue to be reserved to Government and Panchayats shall have no right for such trees.

| | |
|---|---|
| North Arcot. | Salem. |
| South Arcot. | Coimbatore. |
| Tirunelveli. | The Nilgiris. |

24. The Government may also by specific orders declare that specified species of trees are exempted from the application of this order and reserve such trees for exploitation by specified departments of Government.

25. In respect of trees transferred to the Panchayats in accordance with this order the Panchayats shall have the power to lease out the usufruct and effect sale by auction of withered and wind-fallen trees. Such lease or auction will have to be done with the approval of the Panchayat and shall not be done by the Panchayat President acting solely in his capacity as executive authority of the Panchayat. All leases, auctions, sales, etc., will have to be confirmed by a legal resolutions of the Panchayats.

26. This order will come into effect immediately. The Collectors of districts are requested to bring this order to the notice of the Panchayats and the Panchayat Unions and to take action accordingly. The Board of Revenue and the Heads of Departments concerned are also requested to issue suitable instructions to their subordinate officers for the expeditious implementation of these orders.

**(G.O. Ms. No. 1550, R.D. and L.A., dated 30th May 1961.)**

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# ESTABLISHMENT.

## PANCHAYAT UNION OFFICES—FIXATION OF STRENGTH.

1. *Existing pattern of office staff of a Development Block.*—The staffing pattern laid down by the Government of India for every block delimited under the Community Development Programme is as shown below, so far as office staff is concerned :—

(1) *One* Block Development Officer.

(2) *One* Progress Assistant.

(3) *One* Accountant-*cum*-Store-keeper.

(4) *One* Senior Clerk.

(5) *One* Cashier.

(6) *One* Typist.

(7) *Four* Class IV servants.

The cost of the above staff is shared by the Government of India and the State Government.

2. *Effect of constitution of Panchayat Union for a Development Block.*—(i) If a Panchayat Union Council is constituted under section 11, read with section 12 of the Madras Panchayats Act, 1958, for every Development Block, it will have an office of its own. The normal income of a panchayat Development block under the Act may come to about three to four lakhs of rupees under both the General Fund and the Elementary Education Fund. To manage the volume of work involved in transacting business connected with such funds, a scale of staff sanctioned for a normal Second Grade Municipality will be necessary.

(ii) When the execution of the Community Development Scheme is entrusted to it under section 66 of the Act, the Block Development Office under the Block Development Officer and the Panchayat Union Officer will have to be merged into a single office.

(iii) Then it will be necessary to specify—

(*a*) what staff will constitute the extension staff whose services are placed at the disposal of the Panchayat Union free of cost for office purposes and what staff will be the Panchayat Union staff proper;

(*b*) how both the categories of the staff, namely, the Panchayat Union staff and the Extension staff will be chosen;

(*c*) what salaries and allowances will be paid to both the categories of staff, and

(*d*) how the cost of both the staff will be met.

For this purpose, it will not suffice to make over the staff according to the existing pattern and share the cost as at present. The following orders are issued clarifying the position of both the categories of the staff in respect of the matters referred to above.

3. *Commissioner for Panchayat Union.*—Section 44 of the Act provides that a Commissioner shall be appointed by the Government in the case of each Panchayat Union Council and that such Commissioner shall ordinarily be the Development Officer appointed in pursuance of the National Extension Service Scheme of Community Development for the Panchayat Development Block and also that no recovery shall be made from the Panchayat Union Council towards the salary and allowances paid to any Commissioner or towards his leave allowances, pension and provident fund. As soon as a Panchayat Union is constituted and the Panchayat Union Council comes into being, orders will be issued by the Government appointing the Block Development Officer of the respective block as the Panchayat Union Commissioner.

4. *Other office staff.*—Section 57 (1) of the Act provides that the sanction of the Panchayat Union Council shall be obtained for all proposals for fixing or altering the number, designation and grades of its officers and servants and the salaries, fees and allowances payable to them; while section 57 (3) empowers the Government to fix or alter the number, designation and grades and the salaries, fees and allowances payable to the officers and servants of a Panchayat Union. The Government have considered the question as to what categories of posts should form the authorized staff of a Panchayat Union office and after such consideration they have proposed to fix under section 57 (3) of the Madras Panchayats Act. 1958, the following scale of authorized staff for a Panchayat Union :—

| *Designation.* | *Number.* |
|---|---|
| (i) Manager .. .. .. .. | One. |
| (ii) Accountant .. .. .. .. | One. |
| (iii) Head Clerk .. .. .. .. | One. |
| (iv) Upper Division Clerks .. .. | Two. |
| (v) Lower Division Clerks .. .. | Five. |
| (vi) Cashier (Shroff) .. .. .. | One. |
| (vii) Typist .. .. .. .. | One. |
| (viii) Attenders .. .. .. .. | Two (plus one more in the event of the number of teachers exceeding 250). |
| (ix) Peons .. .. .. .. .. | Six. |
| (x) Jeep driver .. .. .. .. | One. |

5. *Distinction between " National Extension Service establishments " and other establishments to be maintained by the Panchayat Union.*—Though it is desirable for purposes of efficient performance of the work of the Panchayat Union Office, that there should be an integrated office establishment dealing with " Community Development " work as well as " Local Administraiton " work, it is necessary to continue to maintain a distinction between the staff to be maintained by the Panchayat Union at its own cost and the Government staff whose services are to be placed free of charge at the disposal of the Panchayat Union, along with the entrustment of the execution of the National Extension Service Scheme under section 66 of the Act. The purposes for which this distinction will be made are detailed in paragraphs 6 to 9 below. The Government direct that out of the integrated office establishment specified in paragraph 4 above, the following should constitute the National Extension Service establishment :—

(i) The Manager—One.

(ii) The Accountant—One.

(iii) Upper Division Clerks—Two.

(iv) Jeep Driver—One.

The remaining should be treated as the staff to be maintained by the Panchayat Union at its own cost.

6. *Statutory provisions regarding absorption of District Board staff under Panchayat Union Councils.*—Rule 12 of Schedule IV to the Madras Panchayats Act, 1958, provides that every officer and servant of the district board (other than the teachers and other employees of elementary schools) shall be appointed to such posts as the Government or such officer as may be authorized by them in this behalf may consider suitable under the Panchayat Union Council or any District Development Council. Therefore preference should be given to the employees of the district boards in making appointments to all posts included in the establishment of the Panchayat Union, whether such establishment constitutes the National Extension Service establishment or the Panchayat Union staff. The Government consider that by 1st April 1961 the District Board office should be completely partitioned into nucleus offices for Panchayat Unions and that they should start functioning as such in the respective Development Blocks (both active and shadow blocks) ahead of the normal inauguration of the Panchayat Union Councils. The District Board office should then be shrunk down to a nucleus staff with adequate experience in accounts. The Government accordingly direct that the Collector and Special Officer of every District Board shall prepare a complete list of all persons employed under the District Board on 1st August 1960; carry out a complete scrutiny of their records; and determine in the case of each employee the post which he should hold under

the Panchayat Union Council in order that he might be in position on 1st April 1961 in nucleus Panchayat Union office referred to above. Such a placement statement should be prepared, bearing in mind the length of service put in by various categories of personnel and taking into account what the normal prospects would have been if the persons had been in the Revenue Department of Government. The preparation of the statement should be completed before 1st September 1960 and the persons concerned should be given intimation in appropriate terms about their future.

7. *National Extension Service Office establishment (Initial constitution)*—(i) *Manager.*—The post of Manager is new and in making appointment to it preference should be given to the employees of district boards. The claims of Superintendents and Senior Upper Division Clerks should be considered first. If no suitable qualified person in the district board service is available, persons may be recruited from municipal offices and from the Revenue Department. The prior approval of the Additional Development Commissioner should be obtained for the list of candidates selected for appointment.

(ii) *Accountant.*—Candidates for appointment to the post of Accountant shall be recruited from the Local Fund Audit Department.

(iii) *Upper Division Clerks.*—Those Upper Division Clerks, if any, in District Board offices who have not been promoted to the post either of Manager or Head Clerk should be absorbed as Upper Division Clerks. Subject to this requirement the Upper Division Clerks working in Block Offices should wherever they are suitable be continued. The ' Progress Assistant ' provided for the National Extension Service Scheme has been redesignated as " Extension Officer—Statistics ". The question of reorganization of statistical establishments is under separate consideration and orders will issue separately. Meanwhile so long as there is a Progress Assistant (alias Extension Officer—Statistics) in any Block he should be counted against one of the posts of Upper Division Clerks.

(iv) *Jeep Driver.*—The Jeep Drivers in the Block offices should be continued as such in the respective Blocks.

8. *National Extension Service (Office) establishment (Future maintenance).*—The question whether the posts may be included in the Madras Ministerial Service of a separate service may be constituted will be considered in due course and orders issued separately.

9. *Office establishment to be maintained by the Panchayat Union (Initial constitution).*—(*a*) The following staff out of the integrated office establishment specified in paragraph 4 above shall constitute office establishment to be maintained by the

Panchayat Union and they shall be remunerated at such scales of pay as may be fixed by the Panchayat Union but not higher than the following scales of pay :—

| *Designation.* | *Number.* | *Scale of pay.* |
|---|---|---|
| | | RS. |
| (i) Head Clerk .. .. | One. | 125—5—175 |
| (ii) Lower Division Clerks .. | Five. | 90—3—120—2—140. |
| (iii) Cashier (shroff) .. .. | One. | 90—3—120—2—140. |
| (iv) Typist .. .. .. | One. | 90—3—120—2—140 plus special pay of Rs. 10. |
| (v) Attenders .. .. | Two. (+1 in the event of the number of teachers exceeding 250). | 50—1—70. |
| (vi) Peons .. .. .. | Six. | 50—1—60. |

(*b*) The pay and allowances of the Head Clerk and two of the Lower Division Clerks shall be debited to the Panchayat Union (Education) Fund. The pay and allowances of the remaining staff, viz., three Lower Division Clerks, one Typist, Cashier (Shroff), two or more Attenders and six Peons shall be debited to the Panchayat Union (General) Fund.

(*c*) Such number of additional posts (other than posts of Attenders and Peons) as may be required urgently to fill up the strength of each of the Panchayat Union Council should be created by the Special Officers of the District Boards as additions to the existing District Board staff one month in advance of the constitution of the Panchayat Union Council. For filling up the posts of Lower Division Clerks for which candidates from the District Boards or the Block Offices may not be available, the Employment Exchanges should be contacted. Preference should be given to local applicants over applicants from outside. Newly authorised posts of Attenders and Peons may be left to be filled later after Panchayat Unions begin to function. The following standardised procedure for recruitment of Lower Division Clerks should be followed. Candidates may be interviewed and selected by an *ad hoc* committee of officers consisting of the Personal Assistant to the Special Officer, one of the other Personal Assistants to the Collector and the Revenue Divisional Officer of the division for which the recruitment is made. The staff may be recruited one month ahead of the inauguration of the Panchayat Unions so that they may be given training in the District Board offices and formed into a separate section corresponding to the different union offices when the Manager and Accountant also join the District Board offices on 1st September 1960.

10. *Organisation of Panchayat Union office in three sections.*—The staff referred to in paragraphs 5 and 9 shall be distributed into the following three distinct sections in the combined Panchayat Union office :—

I. General Administration Section—

(1) Manager.

(2) Two Upper Division Clerks.

(3) One Lower Division Clerk for work relating to Panchayats.

(4) One Lower Division Clerk for work relating to General Correspondence and Panchayat Union Council.

(5) One Cashier (Lower Division Clerk scale)

(6) One Typist (to do tappal work also).

(7) One Office Attender.

(8) One Record Attender.

II. Budget and Accounts Section—

(1) Accountant.

(2) One Lower Division Clerk.

III. Education Section—

(1) Head Clerk.

(2) Two Lower Division Clerks.

(3) One Attender in the event of the number of teachers exceeding 250.

11. *Office establishment to be maintained by the Panchayat Union (Future maintenance).*—The question of issuing rules regarding the authorities who may appoint the officers and servants of Panchayats Union Councils and the classification, methods of recruitment, pay and allowances, discipline and conduct and conditions of service of such officers and servants will be taken up separately and orders thereon will issue in due course.

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(G.O. Ms. No. 1225, L.A., dated 20th July 1960.)

SPECIFICATION OF DUTIES TO BE PERFORMED BY VILLAGE OFFICERS ON BEHALF OF PANCHAYAT UNIONS AND PANCHAYATS—PAYMENT OF PANCHAYAT DEVELOPMENT ALLOWANCES.

1. The Madras Panchayats Act, 1958, is being implemented throughout the State. The Act provides for the creation of Panchayat Unions in addition to Panchayats and lays down the responsibilities entrusted to these local bodies. The Act provides for the payment of certain statutory grants to the local bodies, so as to match the collection of certain taxes leviable by these bodies. In addition, section 66 of the Act provides for entrustment to the

Panchayat Union of the National Extension Service Scheme of Community Development, including in particular all local schemes relating to the development of Agriculture, Animal Husbandry and Village Industries.

2. In effecting such entrustment, Government intend to stipulate that the Panchayat Union constituted for every Panchayat Development Block should (in association with all the Panchayats functioning in such block), actively participate in the execution of the Third Five-Year Plan. To this end, it will be necessary to secure that a Block Plan Budget is settled for every block in respect of the Third Plan period; and Block Development Programmes are planned and executed within the framework of the settled Block Plan Budgets.

3. As an essential feature of such participation in the Third Five-Year Plan, Government intend to stipulate that subject to general guidance and co-ordination by the Panchayat Union at block level, every Panchayat should function as the Planning Authority for the area in its charge; annually frame an Agricultural Production Programme with specific targets and take all steps within its power to ensure that the targets are attained within the area in its charge. In order to facilitate the working of Panchayats and Panchayat Unions in securing the development of agricultural production, Government have issued orders transferring to Panchayats the control and management of almost all poramboke and waste lands (other than certain limited categories). Panchayats have also been empowered to take over and discharge the liability of rights for the maintenance of kudimaramat works. The maintenance of minor irrigation works will be vested in Panchayat Unions.

4. In order to help Panchayat Unions and Panchayats to discharge all these important new responsibilities, it will be necessary to ensure that the services of trained staff should be made available to them. So far as Panchayat Unions are concerned, there is little difficulty. Block Development Officers, Extension Officers, clerks and gramasevaks are available under the National Extension Service Scheme of Community Development and some additions to clerical staff will become available as a result of the forthcoming abolition of district boards. Orders will issue separately in the Rural Development and Local Administration Department specifying the scale of staff to be made available to Panchayat Unions. The cost of this staff will continue to be borne by Government and their services will be placed at the disposal of Panchayat Unions free of charge to Panchayat Union Funds.

5. Such staff, however, will be unavailable for rendering service at village level. This is so because most of the staff will have jurisdiction over the entire block. Though the gramasevaks

will have smaller charges, they will still have jurisdiction over a number of contiguous villages. They will have to concentrate mainly on agricultural work and will require to be relieved of part of the clerical work they are attending to at present. They should not be burdened with routine administrative duties relating to the Panchayats. There is need, therefore, for making adequate arrangements for the performance at village level, of administrative duties relating to both Panchayats and Panchayat Unions. This subject was discussed by the Development Commissioner with Collectors and Revenue Divisional Officers as well as Members of the District Development Councils who represent the 75 first batch of blocks where Panchayat Unions are to be established on the 2nd October next. In the light of such discussion, the Development Commissioner has proposed as the only satisfactory solution of the problem that definite duties should be assigned to village officers in relation to Panchayat Development and that in consideration of their duties, extra remuneration should be provided in the form of 'Panchayat Development Allowance'.

6. The proposals have been examined by Government in the context of the general question relating to the future organization of village revenue establishments. Village Officers have been making representations in the past for increase in their emoluments, which are fixed and regulated on the basis that they are only part-time employees of Government. It has been found difficult to provide for such increase of emoluments except as part of a general reorganization of village revenue establishments, entailing a substantial reduction of numbers. Such reduction of numbers in its turn will have to be based on extensive revision of the present delimitation of boundaries of revenue villages as well as a major change in the present hereditary system of appointments. In view of the need for concentration on the more urgent administrative tasks relating to the implementation of new Panchayats Act and the devolution of developmental responsibilities to Panchayat Unions and Panchayats, Government consider it desirable for the present to defer reorganization proposals and to continue existing organization of village revenue establishments in their present form for some time longer. In the light of this decision, they agree in principle that some extra remuneration should be sanctioned, this being related to the additional work which Village Officers will be required to perform on behalf of Panchayat Unions and Panchayats. The nature of these duties is described in the paragraphs which follow.

7. *Village Development Planning.*—The terms of entrustment of development work to Panchayat Union under section 66 of the new Panchayats Act will require the setting up of a proper organization of planning at village and block level. Subject to the guidance and co-ordination of the appropriate Panchayat Union committee, the village Panchayat will function as the Planning

Authority at village level. The village officers should be required to assist the village Panchayat in the performance of its duties as Planning Authority. The Panchayat should be required to invite the Karnam and Headman concerned to attend the special meetings of the Panchayat whenever it functions as Planning Authority. It should be declared to be part of the duties of these village officers to attend such meetings and contribute their personal knowledge and experience and otherwise assist the Panchayat in the performance of its duties. They should participate in the discussion and should not participate in the voting.

NOTE.—This is limited to meetings of panchayats specially convened for planning purposes. Village officers should not be required to attend ordinary meetings of panchayats.

8. *Village Development Accounts.*—For purpose of work in the National Extension Service Scheme of Community Development a number of new records and registers have been prescribed for maintenance by the Gramasevak in respect of the group of village in his charge. This system, in actual working, is not satisfactory and requires to be changed. The existing system of maintenance of village accounts should be reviewed and revised. The Karnam should be made responsible for maintaining all records and registers needed for development purposes at village level and submitting returns therefor.

9. *Local revenue collection.*—It should be declared to be part of the normal duties of the Village Headman that he should collect all taxes and fees which may fall due from time to time to the Panchayat or the Panchayat Union. It should also be declared to be the normal duties of the Village Karnam that he should maintain tax assessment registers and such other records as may be prescribed from time to time for facilitating collection of taxes and fees due to the Panchayat and the Panchayat Union. The foregoing should be applicable in full to all Panchayat villages. In respect however of Panchayat Towns, somewhat different consideration will apply partly because, there would be a whole-time executive officer, partly other paid staff and partly also because the house-tax collection work would be too heavy. Therefore, the nature of the duties to be performed by the Village Officers in respect of revenue collection within the limits of Panchayat Towns should be determined by the Revenue Divisional Officer concerned with reference to circumstances of each case. This should be done so as to secure two results, viz., (i) He should be required to do such work as he can be expected to do without detrimental to his Government duties and wherever this may help the Panchayat to economise on its own staff, such economy should be secured. (ii) He should now be required to undertake house-tax collection work in any Panchayat Town, if the work is appreciable and likely to interfere with efficient performance of Government duties.

10. *Duties of Village Panchayat Secretary.*—These duties may be defined as below :—

(i) Maintenance of the minutes of the meetings of the Panchayat;

(ii) Maintenance of prescribed cash accounts of the Panchayat; and

(iii) Clerical work relating to the general administration of the Panchayat.

So far as Town Panchayats are concerned these duties are attended to by whole-time paid staff and there will be no need for the services of village officer being utilised. The problem arises only in relation to Village Panchayats, most of which are unable to afford the expense involved in employing a whole-time Panchayat Secretary. Even in respect of Village Panchayats, these duties should be on somewhat different footing from those detailed in paragraphs 7 to 9 above. Whereas in the other cases, the Karnam and Headman are (by their experience related to Government work) specially suited for performing the duties in question efficiently. it is likely that, in many villages, literate persons would be available who can perform the duties of Village Panchayat Secretaries equally well. In some of the larger villages the balance of convenience may lie in employing such persons as Panchayat Secretaries. Morever the relationship between the Panchayat President and Village Panchayat Secretary has to be very much more intimate than that between the Panchayat President and an officer performing any of the other duties earlier mentioned. For these reasons. it has been proposed that the duties of the Village Panchayat Secretary should be entrusted to the Karnam, if and only if the Village Panchayat has expressed a desire that this should be done. In other cases, the Village Panchayat should be free (as it is at present) to make such local arrangements for the performance of these duties as it may find to be appropriate, provided, however that the cost of such arrangements should not be disproportionately higher in relation to the normal income of the Panchayat and should not therefore exceed such limits as may be prescribed by statutory rules. Government accept this proposal.

11. *Duties of Village Talayari.*—It should be declared to be part of the normal duties of the Talayari that he should assist the Headman in the performance of all his duties in relation to tax collection for the Panchayat or Panchayat Union. He should also be responsible for maintaining watch and ward in respect of Panchayat Union properties and Panchayat properties in the village including all standing trees on public lands in the village.

NOTE.—If in any village there is more than one talayari the duties should be specifically assigned by the Tahsildar concerned to one of them. Discretion may be given to the Tahsildar in suitable cases to divide the work and consequently also the remuneration between more than one talayari if the work is satisfactorily divisible on a territorial basis.

12. *Classification of Territorial Charges.*—The territorial charges of village officers differ considerably in size with resulting difference in the volume of work to be done. It is, therefore, desirable for purposes of fixing the scale and allowances to be sanctioned that a distinction should be drawn between 'Normal' charges and 'Light' charges. Accordingly it has been proposed that a village should be deemed to be a 'normal' charge if either–

(i) the total extent of patta land in such village exceeds one thousand acres; or

(ii) the land revenue assessment on patta lands in the village exceeds two thousand rupees.

Any village in which neither of these two conditions is fulfilled should be deemed to be a "light" charge. Government accept this proposal.

13. *Scale of Panchayat Development Allowance—Karnams*—The Panchayat Development Allowance shall be fixed in respect of the Karnam of every village included in any Panchayat Development Block;

(i) *at the rate of* 15 *rupees per month* if he has a normal charge and if the duties which he is required to perform include those of a Village Panchayat Secretary;

(ii) *at the rate of* 12 *rupees per month* (*a*) if he has a light charge and the duties which he is required to perform include those of a Village Panchayat Secretary; or

(*b*) if he has a normal charge, and the duties which he is required to perform do not include those of a Village Panchayat Secretary; and

(iii) *at the rate of* 10 *rupees per month*, if he has a light charge and the duties he is required to perform do not include those of a Village Panchayat Secretary.

14. *Scale of Panchayat Development Allowance—Headman.*—The Panchayat Development Allowance shall be fixed in respect of Headman of every village included in any Panchayat Development Block—

(i) *at the rate of* 7 *rupees per month* if he has a normal charge; and

(ii) *at the rate of* 5 *rupees per month* if he has a light charge.

15. *Scale of Panchayat Development Allowance—Talayari.*—The Panchayat Development Allowance shall be fixed in respect of the Talayari of every village included in any Panchayat Development Block—

(i) *at the rate of* 3 *rupees per month* if he has a normal charge; or

(ii) *at the rate of* 2 *rupees per month* if he has a light charge.

16. Panchayat Development Allowances on the scale set out above, should be paid to the Village Officers of every Panchayat Development Block with effect from the first day of the month in which a Panchayat Union is constituted for the Block, or the first day of January 1961, whichever is earlier. With effect from that date, the orders issued in G.O. Ms. No. 1125, Local Administration, dated the 22nd July 1958, will stand cancelled.

17. The allowances payable in accordance with this order will cease to be payable in the event of reorganization of village revenue establishments.

18. The Village Officers are at present under obligation to perform duties in respect of various departments of the State Government. The same conditions will apply in respect of performance by village officers of duties entrusted to them in terms of this order in relation to Panchayats and Panchayat Unions. The Block Development Officer will be responsible for ensuring that these duties are performed satisfactorily. He will have power to issue such instructions to village officers as may be necessary and also to report to the Revenue Divisional officer cases, if any, of neglect of duty calling for disciplinary action.

19. The successful implementation of the new Panchayat Act will depend, in no small measure, on the working of the new arrangements envisaged in this order. Government are aware that the smooth working of these arrangements will call for a reorientation of existing outlook as well as considerable amount of tact and goodwill on the part of all concerned. They trust that these conditions will be fulfilled.

20. At present there is an arrangement by which a functionary called Clerk-*cum*-Bill Collector is appointed by the Inspector in order to serve a group of contiguous Village Panchayats. In view of certain difficulties in these arrangements, Government have already directed that no new appointment of this nature should be made. Where this arrangement is already in force, it may, however, be continued, if all the Panchayats concerned so desire, provided that their work is limited to that of Panchayat Secretary as defined in paragraph 10 above and the work relating to Revenue collection is transferred to village officers, along with new items of work relating to Development.

Where there is no group clerk at present, it will be open to Village Panchayats, if they so desire, to create a post of part-time Panchayat Secretary for the particular Panchayat concerned and to appoint thereto some person other than the Karnam, if this is considered preferable to the utilization of the services of the Karnam.

In such cases, the authorized scale of permissable remuneration will be fixed by the Inspector (District Collector) with reference to the normal income of the Panchayats concerned. The cost involved will be met from the Panchayat funds.

21. If, as a result of giving effect to these orders, any post of Bill-Collector, Group-Clerk or similar functionary ceases to be necessary and is abolished, care should be taken to provide the incumbents of such post with such alternative employment as attender or clerk (according to his qualifications) in the establishment of Panchayat Unions.

22. The Board of Revenue is requested to issue detailed instructions to Collectors for giving effect to these orders. The Board is requested to examine the application of these orders in cases where the territorial jurisdiction of any Village Officer does not coincide with those of the Panchayat in respect of which he has to perform duties. Subject to such general guidance as may be given by the Board, the Collectors may be given discretion, to specify the apportionment of duties among the Village Officers concerned.

23. The expenditure on the payment of Panchayat Development Allowance should be debited to '25. General Administration—District Administration—u. Other Establishments B. Ryotwari Village Service and C. Proprietory Estates Village Service' as the case may be.

24. The expenditure is on 'New Service' and the approval of the Legislature will be obtained through a Supplementary Grant. Pending approval of the Legislature, the expenditure will be initially met by an advance from the Contingency Fund orders regarding which will be issued in the Finance (B.G.) Department. The Board of Revenue is requested to intimate to the Finance (B.G.) Department the probable expenditure up to December 1960.

* (G.O. No. 644, R.D., dated 9th August 1960.)

## PANCHAYAT UNION OFFICES.

Attention is invited to G.O. Ms. No. 1225, L.A., dated the 20th July 1960. The staff of the Panchayat Union Office has been categorised into two—the extension staff and the Panchayat Union staff. The cashier and the typist have been included in the latter category. During the Collectors' Conference held on 5th and 6th of this month it was pointed out that it may not always be possible to replace readily the existing cashier and typist who have been recruited as Government staff, by fresh recruits who will be treated as Panchayat Union staff. It was decided that full discretion in this matter should vest with the Collectors and where there are practical difficulties in absorbing the Government staff in Government posts or in finding suitable fresh recruits as Panchayat Union staff, as a temporary measure the existing Government staff may be continued under the Panchayat Union till such time when the transfer of the Government staff could be effected smoothly. Action should, however, be initiated to effect the transfer as early as practicable.

* For further clarification on this subject see G.O. Ms. No. 411 Rural Development, dated 17th January 1961 printed on pages 322-337 and G.O. Ms. No. 2339, R.D. & L.A., dated 28th August 1961 and G.O. Ms. No. 2340, R.D. & L.A., dated 28th August 1961 printed on pages 358-362.

2. It is further directed that the cashiers and typists who are borne on Government establishment and whose temporary retention under Panchayat Unions is considered necessary in the future interest should be paid, the Government rates of pay and allowances. The expenditure will be provisionally debited to the Panchayat Union Funds. A suggestion has been made that these two posts should also be included in the category of Extension Posts. Irrespective of any decision which may be reached on this suggestion it is the intention of the Government that the continued temporary retention of any Government servant in these posts should be counted as Government service in respect of such Government servants.

3. Another point raised during the Collectors' Conference was about the transfer travelling allowance of the staff now transferred from the District Board to the Panchayat Union Service/Government service. In all these cases advances may be sanctioned from the District Board funds wherever such advances are applied for. As a special case it is directed that the transfer travelling allowance of all the District Board employees transferred to Panchayat Unions should be debited to the District Board funds. In the case of District Board staff transferred to Government service the final debit will be to Government account and the expenditure will be debited to the same head to which their pay and allowances are debited.

4. Attention is also invited to paragraph 10 of the G.O. Ms No. 1225, L.A., dated 20th July 1960. The present Panchayat Clerk attached to the Panchayat Extension Officer is borne on Government establishment and he is to be replaced by a clerk in Panchayat Union Service. Orders have been issued separately creating 147 posts of Block Plan Officers who are also to function as Deputy Panchayat Officers, and each Block Plan Officer has been sanctioned one lower division clerk as Panchayat clerk. The Panchayat clerks on Government establishment may, therefore, be transferred to shadow Blocks as Panchayat clerks. This will also ensure that the Block Plan Officers who are for the first time taking up duties as Deputy Panchayat Officers will get clerks who have had some acquaintances with the administration of the Panchayats Act.

5. In transferring peons from the Government service to the Panchayat Union Service the peons borne on District Revenue Establishment, the Block Offices and the Panchayat Offices should be treated as one unit for the purpose and the juniormost peons should be transferred to the Panchayat Union Service. As far as possible it should be ensured that the peons are posted to the Unions where they come from. In this connection a reference is also invited to the instructions issued in the G.O. Ms. No. 3412, Public (Rural Development Projects), dated 15th December 1958. The personnel who were ousted as a result of retrenchment in the Block establishment should be given preference in fresh recruitment.

**(Memo. No. 164039/LI/60-1, L.A., dated 19th September 1961).**

## TRAINING OF COMMUNITY DEVELOPMENT PERSONNEL.

The training programmes which have been undertaken for the implementation of the Community Development Programme can be broadly divided into the following three categories :—

(1) Institutional training.

(2) inservice training.

(3) other types of training.

The various types of training contemplated under each of the three categories mentioned above are detailed below :—

I. *Institutional training.*—This is mainly for the official personnel of different categories working in the Community Development Programme. The following types of training are classified under this category :—

(1) *Central Institute of Study and Research, Mussoorie.*—The Government of India have established a Central Institute at Mussoorie to impart training to Key personnel of the status of Development Commissioner, Deputy Development Commissioner, Heads of Departments, Collectors, etc. The training is for a period of four to five weeks.

(2) *Orientation Training Centres for Community Development Personnel.*—The Government of India, Ministry of Community Development have reorganized the Orientation training programme for the Community Development Personnel according to which training is conducted in three parts as detailed below :—

(*a*) Orientation training course for 45 days for Block Development Officers, Social Education Organizers and Extension Officers.

(*b*) Refresher course for 22 days for Block Development Officers and District Heads of Departments.

(*c*) Job course for Block Development Officers for 45 days.

Personnel of this State are deputed to the Centres at Himayatsagar and Mysore. A similar Orientation Training Centre in this State at Bhavanisagar will be set up shortly.

(3) *Rural Extension Training Centres.*—There are seven Rural Extension Training Centres in this State which train the Grama sevaks required for the blocks. The centres are located at the following places :—

(1) Rural Extension Training Centre, Aduthurai, Thanjavur district.

(2) Rural Extension Training Centre, Pattukkottai, Thanjavur district.

(3) Rural Extension Training Centre, Kovilpatti, Tirunelveli district.

(4) Rural Extension Training Centre, T. Kallupatti, Madurai district.

(5) Rural Extension Training Centre, Bhavanisagar, Coimbatore district.

(6) Rural Extension Training Centre, S.V. Nagaram, North Arcot district.

(7) Rural Extension Training Centre, Krishnagiri, Salem district.

Each of the above centres, except the Centre at Aduthurai, is capable of training 120 candidates at a time and the Centre at Aduthurai has accommodation for 60 trainees at a time. Candidates selected as Gramasevaks will have to successfully complete the full course of *two* years before they actually take charge of the work in the blocks. The Gramasevak trainees are paid a stipend of Rs. 40 per mensem during the training period. While at the Training Centre, they are also trained to organize Youth Clubs around the Centre and a separate scheme with necessary funds has recently been sanctioned for this purpose.

*Home Science Wings.*—To each of the Rural Extension Training Centres at Bhavanisagar, T. Kallupatti and S.V. Nagaram, a Home Science Wing has been attached to give training to 40 Gramasevikas at a time in Home Science practice. The training course is for a period of twelve months. Each trainee is paid a stipend of Rs. 45 per mensem during the training. Training is imparted in all subjects relating to Home Economics. On successful completion of the training the candidates are posted as Gramasevikas in the Community Development Blocks at the rate of 2 per block. The Centres are financed by the Government of India and the State Government.

*Workshop Wing.*—Two workshop wings to train village artisans in Blacksmithy and Carpentry in the manufacture and repair of improved agricultural implements and tools have been set up and they are attached to the Rural Extension Training Centres at T. Kallupatti and Bhavanisagar. Twenty village artisans are being trained in each wing in a batch. The course of training is for a period of twelve months. After successful completion of the training each artisan is expected to go back to his own village and set up a workshop, so as to utilize profitably the experience gained. Financial assistance in the shape of loans are granted to artisans which will be recovered in instalments. The artisans while under training, are paid a stipend of Rs. 45 each per mensem.

***Training of Extension Officers for Co-operation at Tirupati.***—The Ministry of Food and Agriculture and the Reserve Bank of India have established eight Co-operative Training Centres throughout India to train the Block Level Extension Officers (Co-operation).

One of the Centres is located at Tirupati to which the Extension Officers for Co-operation of this State are deputed for training in convenient batches. The period of training is three and a half months.

*Training of Health Personnel.*—An Orientation Training Centre at Poonamallee has been established for the training of Health Personnel. The period of training is eight weeks and Health Personnel are deputed in teams, each team consisting of a Doctor, a Health Visitor, a Health Inspector and two Maternity Assistants. The Training Centre is run by the Ministry of Health.

*Orientation Training for Deputy Collectors.*—In view of the important role assigned to the Deputy Collectors at the Subdivisional level, they have been given Orientation training for a period of 10 days, five days at Gandhigram for a preliminary study of the various Development programmes and Extension methods, and five days at T. Kallupatti in Rural Industries and their working. The scheme was entirely run by the State Government.

*Job course for Social Education Organisers.*—Social Education Organisers (Men) are given job training for six months and Social Education Organisers (Women) for ten and a half months at the Social Education Organiser's Training Centres. They are deputed in batches according to the seats allotted by the Government of India.

II. *Inservice Training*—(i) *Block Development Officers.*—The Block Development Officers have been given training in Village Industries at the Gandhiniketan Ashram, T. Kallupatti, for a period of 15 days. They are also given training in loans work and office procedure. Orders have been issued recently that the Block Development Officers except those recruited from Revenue Department may be given survey training by the respective District Surveyors for a continuous period of one week.

(ii) *Social Education Organisers.*—The Social Education Organisers who have put in a service of more than two years, are given refresher courses of two months' duration at the Social Education Organisers' Training Centres. They are deputed in batches according to the seats allotted by the Government of India.

(iii) *Extension Officers.*—The Extension Officers for Agriculture are given refresher courses at the Agricultural College, Coimbatore and the Extension Officers for Animal Husbandry at the Veterinary College, Madras. The Extension Officers for Animal Husbandry are given training in scientific flaying and curing of hides at the Madras Veterinary College, Madras, for a period of four weeks. Selected Extension Officers for Agriculture are given training in improved methods of coconut cultivation at Kayangulam and Kasaragode and in soil conservation at Ootacamund and Bellary.

(iv) *Gramasevaks.*—The Gramasevaks are given inservice training in Agriculture by the respective District Agricultural Officers and in Co-operation by the Extension Officers for Co-operation under the supervision of District Registrars of Co-operative Societies. The above training is reviewed every half-year by the Assistant Development Commissioner (Training). Selected Gramasevaks are given a special training in Poultry at the Agricultural Institute at Katpadi and in Poultry and Bee-keeping at the Y.M.C.A. Rural Demonstration Centre, Marthandam. A special training is also given in Village Industries to selected Gramasevaks at the Model Centre for Village Industries, T. Kallupatti for a period of three months. Refresher courses of two months' duration is also conducted for the Gramasevaks at the Rural Extension Training Centre, Bhavanisagar, and 30 Gramasevaks are deputed in each batch.

III. *Other types of Training*—(i) *Functional Village Leaders' Training Camps.*—The training of Village Leaders, that is, functional leaders in the village was started by the Ministry of Community Development in October 1957. The idea is to build up the skill of natural leaders through a subject-matter training. The training consists of lectures supported by audio-visual aids and the duration of the training is full three days. The usual number of trainees is 50 who come from the area of one Village Level Worker. The various subjects of the Community Development Programme has been divided into the following groups for purposes of imparting the training :—

(*a*) Agriculture, Animal Husbandry and Minor Irrigation.

(*b*) Panchayats, Co-operation and Village Communication.

(*c*) Village Industries and Rural Housing.

(*d*) Education, Social Education, Public Health and Sanitation.

(*e*) Women's programme.

Training is now imparted in " Agriculture, Animal Husbandry and Minor Irrigation ".

The Block Development Officers make a preliminary selection of Village Leaders in consultation with the Village Level Workers and final selection is done in consultation with the Panchayats and the Block staff. The camp includes technical exhibition arranged by concerned departments. The purpose being educational, it demonstrates better implements, insecticides, manures, fodder seeds, green manure food, vegetables, etc. Discussions are encouraged. Regular lectures are arranged on the subject-matters and it is presented mostly through discussions.

Regarding the follow-up work, the block staff keep contact with the farm leaders. The trained man usually takes up a project on better agricultural methods. Facilities are given to these trained

people for forming farm youth clubs along with the Panchayats. The Extension Officers are advised to meet the farm leaders once in a month in group. The Block Development Officer also contacts the farm leaders. The youth clubs organised by the farm leaders are visited by local officers and periodic meetings held.

(ii) *Training of non-officials*.—The Ministry of Community Development have drawn up a scheme for the Orientation Training of workers of non-official organisations regardless of their labels or affiliations according to which training in the philosophy and objectives of Community Development, etc., is to be given from a week to a fortnight at camps specially organised for the purpose by the non-official agencies concerned. The Madras Government have accepted the above scheme. In pursuance of the above scheme, the Tamilnad Congress Commitee conducted a training camp for its workers from 17th November 1958 to 22nd November 1958. The State Government provided—

(i) Trained and experienced technical and other officers for imparting lectures to the trainees;

(ii) printed and other literature in the subjects concerned for the use of the trainees; and

(iii) demonstrations as and when required.

The same kind of assistance will be extended to any political or social organisations which may initiate in organising the training programme for their workers.

## PANCHAYATS—EXECUTIVE OFFICERS—CONSTITUTION OF A GOVERNMENT SERVICE—ORDERS.

Executive Officers were first appointed to bigger Panchayats over fifteen years ago. These executive officers are intended to perform all the executive functions of the Panchayat and relieve the President of the work relating to the day to day administration of the Panchayat. Under section 28 (1) of the Madras Village Panchayats Act, 1950, a whole time Executive Officer may be appointed by the Government to any Panchayat, i.e., either class I (Town) Panchayat or class II (village) Panchayat may be notified by them in that behalf. But section 40 (1) of the Madras Panchayats Act, 1958, restricts the appointment of whole-time Executive Officers to Town Panchayats. i.e., Panchayats having a population exceeding 5,000 and an annual income exceeding Rs. 10,000.

2. The Executive Officers are now included in a *non-Government* but *State-vide service* and their service is governed by regulations issued by the Government under the Act. The salary



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and allowances of Executive Officers are paid by the Panchayats concerned. There are at present four grades of Executive Officers with the following scales of pay :—

| Grade. | Scale of pay. |
|---|---|
| (i) Selection Grade ... ... ... | 100—2½—120 |
| (ii) First Grade ... ... ... | 80—2½—100 |
| (iii) Second Grade ... ... ... | 65—1½—80 |
| (iv) Thrd Grade ... ... ... | 50—1½—60 |

3. In the revised set up of panchayat administration under the Madras Panchayats Act, 1958, new institutions called "Panchayat Unions" will be created at the Development Block level in the place of the existing District Boards. The revised set up contemplates a federal structure organisation of Panchayat administration with the Village Panchayats and Town Panchayats as the local units and the Panchayat Union as the apex of the organisation. The Panchayat Union will be a co-operative association of the Panchayats. The services of the Block Development Officers, Gram Sevaks and other Extension Staff appointed under the Community Development Programme who are all Government servants will be placed at the disposal of the new Panchayat administration free of cost. Hereafter the Panchayat administration staff and the Block Development staff need necessarily be a combined staff of one department, namely, the Rural Development and Local Administration Department. The Block Development Officers will be the Executive Authorities (Commissioners) of the Panchayat Unions. Hence, it is considered necessary and desirable to bring the Executive Officers of Panchayats within the Block Development Organization and to provide for their interchange with Gram Sevaks.

4. The Government have under consideration proposals for the constitution of a 'District Service for Grama Sevaks' and similar other posts in the Block Development Organisation for every Development District. Pending constitution of such a 'District Service' and in order to make the interchange of Executive Officers of Panchayats and Grama Sevaks easier, the Government have decided—

(i) to make the Executive Officers of Panchayats Government Servants and to constitute a State Subordinate Service for them;

(ii) to have two grades with the following scales of pay instead of the present **four** :—

Grade I—Rs. 125—5—175.

Grade II—Rs. 90—4—110—3—140: and

(iii) to continue the existing practice of making Panchayats responsible for payment of salaries, allowances, etc., to Executive Officers.

The salary and allowances of the Executive Officers of Panchayats should be drawn from the funds of the Panchayats concerned. The contributions towards leave salary, pension or provident fund shall be recovered from the funds of the Panchayats concerned and credited to the Central Fund of Executive Officers. Travelling allowance for journeys on transfer, etc., and conveyance allowance for maintenance of conveyance will be met entirely from the Panchayat funds. The Central Fund for the Executive Officers will continue to be maintained by the Inspector until further orders.

5. The Government have decided that, in respect of both the grades of Executive Officers, appointment, discharge for want of vacancy, reappointment, seniority and appointment as full members should be regulated within each development district. Postings and transfers within the district shall be made by the District Collector. Postings and transfers relating to more than one district shall be ordered by the Development Commissioner.

6. Orders will issue separately in due course regarding the status, fixation of pay, retirement benefits, etc., of *existing* Executive Officers who will be taken over to Government service and who will be included in the appropriate grades.

7. The Inspector of Municipal Councils and Local Boards, Madras, is requested to prepare and submit to Government for approval, a set of draft rules to regulate the recruitment, pay and allowances and conditions of service, etc., of Executive Officers in two grades with reference to the orders in the foregoing paragraphs.

8. These orders will take effect from 1st October 1960.

**(G.O. No, 1506, L,A., dated 8th September 1961.)**

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## ESTABLISHMENT—PANCHAYAT UNION OFFICES, II BATCH—FIXATION OF STRENGTH—RECRUITMENT OF STAFF—SANCTION OF POSTS —ORDERS.

*Authorised staffing pattern for a Panchayat Union.*—In G.O. Ms. No. 1225, L.A., dated 20th July 1960, the Government in the exercise of their powers under section 57 (3) of the Madras Panchayats Act, 1958, have proposed to fix the following scale of authorised staff for a Panchayat Union :—

| *Designation.* | *Number.* |
|---|---|
| (i) Manager .. .. .. | One. |
| (ii) Accountant .. .. .. | One. |
| (iii) Head clerk .. .. .. | One. |
| (iv) Upper division clerks .. .. | Two. |

| *Designation.* | *Number.* |
|---|---|
| (v) Lower division clerks .. .. | Five. |
| (vi) Cashier (Shroff) .. .. | One. |
| (vii) Typist .. .. .. .. | One. |
| (viii) Attender .. .. .. .. | Two (plus one more in the event of teachers exceeding 250). |
| (ix) Peons | Six. |
| (x) Jeep driver .. .. .. | One. |

2. *Distinction between National Extension Service establishments and other establishments to be maintained by the Panchayat Union.*—In paragraph 5 of G.O. No. 1225, L.A., dated 20th July 1960, it was stipulated that out of the integrated office establishment specified in paragraph 1 above, the following should constitute the National Extension Service establishment :—

| *Designation.* | *Number.* |
|---|---|
| (i) The Manager .. .. .. .. | One. |
| (ii) The Accountant .. .. .. | One. |
| (iii) Upper division clerks .. .. | Two. |
| (iv) Jeep Driver .. .. .. .. | One. |

These would be Government staff whose services would be placed free of charge at the disposal of the Panchayat Union along with the entrustment of the execution of the National Extension Service Scheme under section 66 of the Act. The remaining should be treated as the staff to be maintained by the Panchayat Union at its own cost.

3. *Pay scales of Panchayat Union establishment.*—In paragraph 9 of G.O. No. 1225, L.A., dated 20th July 1960, it has been laid down that the following staff, out of the integrated office establishment specified in paragraph 1 above, shall constitute office establishment to be maintained by the Panchayat Union and they shall be remunerated at such scales of pay as may be fixed by the Panchayat Union but not higher than the following scales of pay :—

| *Designation.* | *Number.* | *Scale of pay.* |
|---|---|---|
| | | RS. |
| (i) Head clerk .. .. | One. | 125—5—175. |
| (ii) Lower division clerks .. | Five. | 90—3—120—2—140. |
| (iii) Cashier (Shroff) .. | One. | 90—3—120—2—140. |
| (iv) Typist .. .. | One. | 90—3—120—2—140 plus special pay of Rs. 10. |
| (v) Attenders .. .. | Two. | 50—1—70. |
| | (Plus one in the event of the number of teachers exceeding 250.) | |
| (vi) Peons .. .. .. | Six. | 50—1—60. |

It was also directed that the pay and allowances of the Head Clerk, and two of the lower division clerks should be debited to the Panchayat Union (Education Fund). The pay and allowances of the remaining staff, viz., three lower division clerks, one typist, one cashier (shroff), two or more attenders and six peons should be debited to the Panchayat Union General Fund.

4. *Establishment for the second batch of Panchayat Unions.*—On 13th April 1961, 132 Panchayat Unions are to be constituted. The Government direct that the authorized staffing pattern for the 132 Panchayat Unions of the second batch be fixed in accordance with the scale specified in paragraph 1 above and the provisions of paragraphs 2 and 3 respect of pay scales and distinction to be made between National Extension Service establishment and Panchayat Union establishment be made applicable.

5. *Statutory provisions regarding absorption of District Board staff under Panchayat Union Councils.*—Rule 12 of Schedule IV to the Madras Panchayats Act, 1958, provides that every officer and servant of the District Board (other than the teachers and other employees of elementary schools) shall be appointed to such posts as the Government or such officer as may be authorized by them in this behalf may consider suitable under the Panchayat Union Council or any District Development Council. Therefore preference should be given to the employees of the District Boards in making appointments to all posts included in the establishment of the Panchayat Union, whether such establishment constitutes National Extension Service establishment or the Panchayat Union staff. In paragraph 6 of G.O. No. 1225, L.A., dated 20th July 1960, the Government directed that the Collector or Special Officer of every District Board should prepare a complete list of all persons employed under the District Board, carry out a complete scrutiny of their records and determine in the case of each employee the post which he should hold under the Panchayat Union Council. such a placement statement should be prepared bearing in mind the length of service put in by various categories of personnel and taking into account what the normal prospects would have been if the persons had been in the Revenue Department of Government. Such lists have been prepared by the Collectors.

6. *Government orders regarding absorption of bill-collector group clerks.*—In G.O. No. 644, Rural Development, dated 9th August 1960, specifying the duties to be performed by Village Officers on behalf of Panchayat Unions and Panchayats and sanctioning the payment of Panchayat Development allowances, in paragraph 21 it was stipulated that if, as a result of giving effect to these orders, any post of bill-collector group clerk or similar functionary ceased to be necessary and was abolished, care should be taken to provide the incumbents of such post with such alternative employment as attender or clerk (according to his qualifications) in the establishment of Panchayat Unions.

7. *Recruitment and appointment of Panchayat Union Staff.*—Such number of additional posts (other than posts of attenders and peons) as may be required urgently to fill up the strength of each of the Panchayat Union Council should be created by the Special Officers of the District Boards as additions to the existing District Board staff with effect from 1st March 1961. For filling up the posts of Lower Division Clerks, the instructions in paragraphs 5 and 6 above should be strictly adhered to. To fill up the posts of Lower Division Clerks which cannot be filled up by the staff transferred from District Boards or qualified bill-collector group clerks, the Employment Exchanges should be contacted. Preference should be given to local applicants over applicants from outside. Newly authorized posts of attenders and peons may be left to be filled later after Panchayat Unions begin to function. The following standardized procedure for recruitment of Lower Division Clerks should be followed. Candidates may be interviewed and selected by an *ad hoc* Committee of Officers consisting of the Personal Assistant to the Special Officer, one of the other Personal Assistants to the Collector and the Revenue Divisional Officer of the division for which recruitment is made. The staff recruited on 1st March 1961 may be given training in the District Board offices and formed into separate sections corresponding to the different Union offices when the Manager and Accountant also join the District Board offices after their training.

8. *Transitional arrangements.*—Attention is invited to the instructions issued in Memorandum No. 164039/L.1/60, L.A., dated 19th September 1960. Where the Collector finds it difficult to replace readily the existing Cashier and Typist who have been recruited as Government staff, by fresh recruits who will be borne on Panchayat Union establishment, the Collector shall exercise his discretion to continue, as a temporary measure, the existing Government staff under the Panchayat Union till such time when the transfer of the Government servant could be effected smoothly. Action should, however, be initiated to effect the transfer as early as practicable. Such Cashiers and Typists, who are borne on Government establishment, whose temporary retention under the Panchayat Union is considered necessary in public interest should be paid the Government rates of pay and allowances. The expenditure will be provisionally debited to the Panchayat Union funds. The continued temporary retention of any Government servant in these posts should be counted as Government service in respect of such Government servants.

In transferring peons from the Government service to the Panchayat Union service, the peons borne on the District Revenue establishment, the Block officers, and the Panchayat officers should be treated as one unit for the purpose and the juniormost peons should be transferred to the Panchayat Union service. As far as possible it should be ensured that the peons are posted to the Unions where they come from. In this connection a reference is also invited

to the instructions issued in G.O. Ms. No. 3412, Public (Rural Development Projects), dated 15th December 1958. The personnel who were ousted as a result of retrenchment in the Block establishment should be given preference in fresh recruitment.

9. *Office establishment to be maintained by the Panchayat Union (future maintenance).*—The question of issuing rules regarding the authorities who may appoint the officers and servants of Panchayat Union Councils and the classification, methods of recruitment, pay and allowances, discipline and conduct and conditions of service of such officers and servants will be taken up separately and orders thereon will issue in due course.

10. *National Extension Service Office establishment (initial constitution)*—(i) *Manager.*—The post of Manager is new and in making appointments to it preference should be given to the employees of District Boards. The claims of Superintendents and senior Upper Division Clerks should be considered first. If no suitable qualified person in the District Board service is available or where due to administarative exigencies the persons in District Board service, earmarked in the placement list for the posts of Managers cannot immediately be made available to take up the posts, persons may be recruited from the Revenue Department and from municipal offices. The prior approval of the Additional Development Commissioner should be obtained for the list of candidates selected for appointment.

(ii) *Accountant.*—Candidates for appointment to the post of Accountant shall be drawn from the existing personnel working in the Block offices or from the Revenue Department. In this connection attention is invited to this Department Memorandum No. 213223/T4/60-1, dated the 7th December 1960, wherein instructions have been issued about the selection of personnel to fill up the posts of Accountants.

(iii) *Upper Dicision Clerk.*—Those Upper Division Clerks, if any, in District Board offices who have not been promoted to the post of Manager or retained as Head Clerk should be absorbed as Upper Division Clerks. Subject to this requirement the Upper Division Clerks working in Block offices should, wherever they are suitable be continued. Where Lower Division Clerks with more than three years of service are now working in the posts attached to Panchayat Extension Officers, Block Planning Officers or Divisional Panchayat Officers, they may also be considered along with the Lower Division Clerks of the Revenue Department with not less than three years service, for promotion and posting as Upper Division Clerks.

The Extension Officer (Statistics) need not be counted against an Upper Division Clerk as was earlier directed in paragraph 7 (iii) of G.O. No. 1225, L.A., dated 20th July 1960.

(iv) *Jeep driver.*—The jeep drivers in the block offices should be continued as such in the respective blocks.

11. *National Extension Service (office) establishment (future maintenance).*—The question whether the posts may be included in the Madras Ministerial Service or a seperate service may be constituted will be considered in due course and orders issued separately. Pending issue of the above mentioned orders, the Government issue the following directions :—

(i) The posts of the two Upper Division Clerks shall continue to be borne on the District Revenue establishments as temporary additions as indicated in G.O. Ms. No. 2283, Public (Rural Development Projects), dated 30th June 1956.

(ii) All posts of Accountants in the Panchayat Unions except 73 posts now manned by audit clerks of the Local Fund Department shall also be borne on the District Revenue establishment as temporary additions in the category of Upper Division Clerks. The posts of Accountants for the Panchayat Unions sanctioned above shall be created for the period up to 28th February 1962 with effect from 1st March 1961 in the scale of Rs. 125—5—175. These posts shall be filled by personnel selected by the Collectors in accordance with the instructions issued in this Department Memorandum No. 213223/T4/60-1, dated 7th December 1960. These Accountants shall be eligible for a special pay of Rs. 15 only from the date of inaguration of the Panchayat Unions.

(iii) The post of jeep driver shall continue to be treated as separate category in the Madras General Subordinate Service as indicated in G.O. Ms. No. 2462, Public (Rural Development Projects), dated 16th July 1956.

(iv) The posts of Managers for the Panchayat Unions sanctioned above shall be created for the period up to 28th February 1962 with effect from 1st March 1961 in the scale of Rs. 150—5—200. Appointments to these posts shall be made by the Collector from a panel of candidate approved by the Additional Development Commissioner.

12. *Debit heads of expenditure.*—The expenditure on the Managers and Accountants will be debited up to 12th April 1961 to the concerned detailed head under " 25. General Administration—s. General establishment—A. Collectors and Magistrates—2. Pay of establishment—3. Allowances, etc." and thereafter to " 63-B Community Development Projects. National Extension Service and Local Development Works—(i) Community Development Projects—b. Projects/Block Headquarters—2. Pay of establishment ". In all other cases, th eexpenditure is even now debited to " 63. B. Community Development Projects, etc ".

**(G.O. Ms. No. 109, L.A., dated 12th January 1961.)**

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## ESTABLISHMENT—PANCHAYAT UNION ESTABLISHMENT—PAYMENT OF TRAVELLING ALLOWANCE, ETC.—CERTAIN CLARIFICATIONS.

The following points have been referred to Government for clarification :—

(*a*) Whether the Travelling Allowance of employees borne on Panchayat Union service (e.g., peons, cashiers, etc.) but who are deputed for work connected with the block may be paid travelling allowance, etc., out of Panchayat Union Funds though the purpose of the deputation may not be of direct concern to the Panchayat Union.

(*b*) How advances like Festival advance paid out of State Funds to the staff now borne on the Panchayat Union service, but previously part of the National Extension Service establishment should be recovered.

2. The Government after careful consideration of the points raised, issue the following clarifications :—

*Point* (*a*).—The Travelling Allowance, etc., of the employees borne on the National Extension Service establishment or that of the employees borne on the Panchayat Union Service should be paid only from the respective funds from which their pay and allowances are otherwise paid, even though a particular item of official work done by them may not have a direct bearing on the functions of the block or the Panchayat Union Council, as the case may be. The services of the staff borne on the National Extension Service establishment and the staff borne on the Panchayat Union service should be freely available to each other in all their official work and in all such cases the necessary allowances, if any payable, must be debited to the original head of account from which their pay and allowances are drawn. The distinction between the two categories of staff stipulated in G.O. Ms. No. 1225, L.A., dated 20th July 1960, should not have any impact whatsoever in matters of day-to-day administration.

*Point* (*b*).—The advances given by the Government pending recovery from the staff, previously borne on Government service and now borne on the Panchayat Union service, should be recovered by the Panchayat Union Commissioner from the pay and allowances of the employees concerned according to the terms under which such advances had been paid to them and credited to the appropriate head of account in Government accounts.

(Memo. No. 203498/T4/60-3, Rural Development and Local Administration, dated 22nd February 1961.)

## ESTABLISHMENT—PANCHAYAT UNION COUNCIL—INTER-UNION TRANSFER OF STAFF.

Section 60 (2) of the Madras Panchayats Act, 1958, provides that any officer or servant of a panchayat union council (including the commissioner) may be transferred to the service of any other panchayat union council or any municipality constituted under the Madras District Municipalities Act, 1920, after consulting the panchayat union council or municipality concerned. The Government have authorized the Additional Development Commissioner, Madras, to exercise the power to transfer any officer or servant of a panchayat union council to the service of any other panchayat union council or any municipality in the State and the Collector to exercise the above power so far as it relates to transfers within a district, subject to control and supervision by the Development Commissioner, Madras.

**(G.O. No. 76, Local Administration, dated 12th January 1960.)**

**(Momo. No. 28569-L2/61-1, Local Administration, dated 15th February 1961).**

## PANCHAYAT DEVELOPMENT —PANCHAYAT DEVELOPMENT ALLOWANCE—ORDERS ISSUED IN G.O. MS. No. 644, RURAL DEVELOPMENT, DATED 9TH AUGUST 1960—CLARIFICATIONS ON CERTAIN POINTS.

In the Government Order read above, the Government issued orders specifying the duties to be performed by village officers on behalf of the Panchayat Unions and Panchayats. With reference to the orders issued in this Government Order a number of ancillary issues has been raised by some Collectors. Some of these issues have been examined in consultation with the Board of Revenue, and many of them were also considered at length in the departmental meeting with the Collectors held between the 10th and 12th January 1961. The Government have carefully examined these issues with reference to the remarks of the Board of Revenue and the discussions at the Collectors meeting and have arrived at decisions. The questions raised and the decisions taken thereon are given below seriatim :—

2. *Question I.*—(i) In cases where a village officer is in charge of two villages each having a panchayat of its own—

(*a*) Should the village officer be asked to perform the functions of tax-collection and maintenance of registers in both the villages?

(*b*) Should the karnam perform the duties of a Village Panchayat Secretary in both the villages ? and

(*c*) At what rates should he be paid in the cases of (*a*) and (*b*) above?

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*Decision.*—(ii) (*a*) The karnam is responsible for maintaining all records and registers needed for revenue and development purposes in respect of all the villages in his charge. Similarly the village headman should do tax collection in respect of all the villages in his territorial charge.

(*b*) The karnam need not perform the functions of a Village Panchayat Secretary in more than one of the villages. If more than one Village Panchayat requires his services as Village Panchayat Secretary, the Revenue Divisional Officer should decide the particular village in respect of which such services should be rendered by the karnam. The Panchayat of any other village concerned should be left to make its own special arrangements.

(*c*) It is sufficient, if the village officer (the karnam or the village headman as the case may be) is paid only one Panchayat Development Allowance admissible under the rules for the performance of his duties in respect of the villages in his charge. Whether this is classifiable as normal or light charge should be determined with reference to the total demand for all the villages under the territorial charge of the village officer (karnam or village headman) as the case may be as found in the latest available No. 12 Account.

3. *Question II.*—(i) If a Panchayat consists of two revenue villages, each in charge of a karnam, what arrangements should be made?

*Decision.*—(ii) In respect of all duties other than those referred to as duties of the Village Panchayat Secretary, each karnam should assist the Village Panchayat in respect of his territorial charge. It will be open to the Panchayat to require the services of either of the two karnams for a performing the duties of the Village Panchayat Secretary or make its own special arrangements.

4. *Question III.*—(i) Will the village officer be eligible to get increased Panchayat Development Allowance, if there is more than one Panchayat in a revenue village?

*Decision.*—(ii) No increased allowance is payable in such cases. The quantum of the Panchayat Development Allowance payable should be determined with reference to the total territorial charge of the village officer.

5. *Question IV.*—(i) Will there be apportionment of the Panchayat Development Allowance among the village officers of several villages, if a number of revenue villages are included in a single Panchayat?

*Decision.*—(ii) Each village officer is to get his own Panchayat Development Allowance with reference to his own territorial charge. Therefore, the question of apportionment of a single allowance between more than one officer cannot arise.

6. *Question V.*—(i) In respect of village having two or more village headman, what is the quantum of allowance payable ?

*Decision.*—(ii) The answer to this question depends on whether or not there is a territorial division of jurisdiction between the headman and the additional (or assistant) headman. Where such territorial bifurcation exists, the allowance can be paid to such headman on the basis of whether his charge is normal or light. Where no such division exists, however, the allowance can be paid only to the headman and not to any other person.

7. *Question VI.*—(i) Is the allowance payable, even in respect of the Blocks to which the Community Development Programme has not been extended or in which the Panchayat Union has not been constituted?

*Decision.*—(ii) The orders in paragraph 16 of G.O. Ms. No. 644, Rural Development, dated the 9th August 1960, are clear. The allowance is payable with effect from the 1st January 1961 in all cases except villages of the first batch Block where it is payable with effect from the 2nd October 1960.

8. *Question VII.*—(i) What is the basis for fixation of remuneration for part-time clerk, i.e., what is the maximum percentage of the income of the Panchayat which could be utilised for such payment and what is the pay scale in which they are appointed?

*Decision.*—(ii) The orders in G.O. No. 644 envisage that the village headman should undertake collection work in respect of all revenue due to the Panchayats and the Panchayat Unions. There is no option available with the headman in this regard. It cannot, however, be said that the panchayat President is prevented from undertaking the collection work himself if he so desires. The Panchayat President may, therefore undertake the collection work himself subject to the clear understanding that in respect of such collection work no expenditure from Panchayat funds should be incurred in the employment of any person for this work.

(iii) As regards the work connected with the duties of the Panchayat Secretary, G.O. No. 644 provides that the Panchayat may exercise the option of employing or not employing the karnam for these duties. If the Panchayat should be decide that it will not utilise the services of the karnam for this purpose, the Panchayat may employ a clerk of this purpose subject to the condition that the total expenditure on the payment of such part-time clerk should not exceed $6\frac{1}{4}$ per cent of the normal annual receipts of the panchayat including the House Tax Matching Grant and excluding all non-statutory Government grants.

9. *Question VIII.*—(i) Who should make the tax collection if for any reason there is a temporary vacancy in the office of village headman.

*Decision.*—(ii) Such arrangements as may be found suitable in the circumstances of each case should be made by the Revenue Divisional Officer concerned. Ordinarily the arrangements made for the collection of Land Revenue should be sufficient for this purpose also.

10. *Question IX.*—(i) Who is the authority to pull up the village headman for slackness?

*Decision.*—(ii) Instructions given in paragraph 18 of G.O. No. 644 will apply in respect of every Block where the Block Development Officer or the Panchayat Union Commissioner exists. In respect of other Blocks, the function will be performed by the Block Planning Officer till such time as a Panchayat Uuion Commissioner is appointed for the Block.

(iii) It should be clearly understood that nothing contained in G.O. No. 644 takes away from the responsibility of the subordinate officers of the Revenue Department (in view of section 126 of the Madras Panchayats Act, 1958). Tahsildarse should exercise supervision and control over the collection by village headmen of all Panchayat revenues in the same manner as land revenue due to the State Government.

(iv) It will be the duty of the Panchayat Extension Officer to maintain a close and continuous watch over the progress of cillection and then credit Village Panchayat Fund and keep the Block Development Officer informed. In cases requiring to be brought to the notice of the Revenue Divisional Officer, the Block Development Office will take action as provided in G.O. Ms. No. 644.

11. *Question X.*—How should the remittance of the money collected be made?

*Decision.*—The existing chalan form will be suitably modified to enable the village headman to remit the money directly to the Panchayat Union Office.

12. *Question XI.*—(i) Can a Panchayat President decline to entrust the collection work to a village headman?

*Decision.*—(ii) The Panchayat President may undertake collection work himself. In such cases it must be clearly understood that no expenditure from Panchayat funds can be incurred for the employment of any person to carry out the collection work.

13. *Question XII.*—(i) Is it open to a Panchayat to employ or not to employ a karnam to perform the duties of the Village Panchayat Secretary? Will the karnam be given a similar option to perform or not to perform the duties of a Village Panchayat Secretary, if offered?

*Decision.*—(ii) The orders in G.O. No. 644 are clear on these points. The karnam is not free to refuse to undertake the

duties when offered. But it is open to the Panchayat to decide whether or not it will entrust the duties of the Panchayat Secretary to the karnam.

14. *Question XIII.*—(i) What are the **registers and records** to be maintained by the village officers ?

*Decision.*—(ii) Instructions regarding the maintenance of tax-assessment registers already exist. A committee is being appointed separately to review existing records and registers and make recommendations about changes. Instructions regarding future maintenance of village records and registers will issue in due course after the Committee's report is received and considered.

15. *Question XIV.*—(i) Should the Tax Assessment Registers be kept with the Panchayat or the karnam? Will it suffice if the karnam furnishes a Demand Collection Balance Statement?

*Decision.*—(ii) The registers and other documents should be kept in the premises of the Panchayat office and should not be kept with the karnams. The karnam should also prepare and submit to the Panchayat a Demand Collection Balance Statement.

16. *Question XV.*—(i) Will the Panchayat President be liable to surcharge in respect of items of revenue which are not collected within the period prescribed ?

*Decision.*—(ii) In view of the fact that responsibility for the collection of various dues is being entrusted to the headman, the responsibility for ensuring that the collection is carried out will rest with the headman and in such cases the Executive Authority (the Panchayat President) will not be held liable for losses, if any, which might occur on account of default in collection.

(ii) The foregoing provision will not, however, apply to any case in which the President declines to entrust the collection work to the headman and undertakes the work himseslf. In such cases the President, in his capacity as Executive Authority, will be liable to surcharge.

17. *Question XVI.*—(i) Is it necessary to give Panchayat Development Allowance to village officers of Kanyakumari district?

*Decision.*—(ii) The answer is in the negative. These allowances are intended only for part-time village officers and not for the village officers of Kanyakumari district and the Shencottah taluk in the Tirunelveli district who are full-time Government servants.

18. *Question XVII.*—(i) In villages where a Triune Officer is working what will be the duties performed by him and what are the allowances he will be entitled to?

*Decision.*—(ii) The Triune Officer will be expected to perform the duties assigned to the karnam as well as to headman under G.O. No. 644. He will be entitled to the allowance of the

karnam (viz., Rs. 15, 12 or 10 as the case may be according as whether the charge is normal or light and whether he does or does not do the duties of the Panchayat Secretary).

(G.O. Ms. No. 411, R.D. and L.A., dated 16th February 1961.)

ESTABLISHMENT—COMMUNITY DEVELOPMENT PROGRAMME—EXTENSION OFFICERS FOR STATISTICS—POSITION IN FUTURE SET UP—PARTIAL ABSORPTION AS UPPER DIVISION CLERKS IN PANCHAYAT UNION OFFICES—INSTRUCTIONS.

The question regarding the future of the Extension Officers for Statistics in the Blocks on the inauguration of Panchayat Union Councils has been engaging the attention of the Government for some time past. It has now been decided.

(i) that there is no need for the continuance of an Extension Officer for Statistics for performing the functions at present laid on him at the block level but that, however, an Extension Officer (Statistics) will be located in the offices of the Revenue Divisional Officers at the rate of one for every three blocks;

(ii) that the existing Extension Officers (Statistics) in the block offices shall be withdrawn and the sanctioned posts thus rendered vacant, shall be filled up by an Upper Division Clerk on the basis of the staffing pattern prescribed for Panchayat Union Offices;

(iii) that the Extension Officers (Statistics) at the Divisional Office level shall work subject to the complete day-to-day control and direction of the Revenue Divisional Officers and under the technical supervision of the District Statistical Officer;

(iv) that in addition to the 85 Extension Officers (Statistics) now in position, the 97 candidates selected by the Madras Public Service Commission for the post of Extension Officers (Statistics) awaiting appointment, may be appointed as Extension Officers (Statistics) after giving them the required training.

2. It will be seen from the above that after giving effect to the above decisions, there will be a total of 182 Extension Officers (Statistics) (i.e., the existing 85 plus 97 selected by Madras Public Service Commission and awaiting appointment) available. For manning the post of Extension Officers (Statistics) at the offices of the Revenue Divisional Officers at the rate of one for three blocks, 125 Extension Officers (Statistics) will be required for the entir· 374 delimited blocks. There will thus be 57 Extension Officers (Statistics) (i.e., 182–125) in excess of the requirements. It has been decided to absorb these 57 surplus Extension Officers (Statistics) as Upper Division Clerks in the 2nd and 3rd batches of the Panchayat Union Offices to be inaugurated in April and October 1961. These 57 candidates should be selected from

among the 85 Extension Officers (Statistics) now in position in the various block offices after getting their option for being absorbed as Upper Division Clerks in the Panchayat Union Offices. As far as possible they should be accommodated in the second batch of Unions itself.

3. The Collectors of the Districts except the Collectors of Madras and Kanyakumari are requested to take necessary action in the matter for getting the option from the Extension Officers (Statistics) now working in the various block offices in their Districts. A list of such Extension Officers (Statistics) who are willing to be absorbed as Upper Division Clerks in the Panchayat Union Offices in each district should be sent to Government immediately. After consolidating the reports received from all the Collectors, necessary instructions together with the number and names of the Extension Officers (Statistics) who may be absorbed as Upper Division Clerks in each district will be issued. The matter should be treated as " Special " and an early report should be sent.

**(Memo. No. 32201, A/T4/561-1, R.D. and L.A., dated 27th February 1961.)**

## ESTABLISHMENT—PANCHAYAT UNIONS—EMPLOYEES OF PANCHAYAT UNIONS—ELIGIBILITY FOR HOUSE RENT ALLOWANCE—PAYMENT—ORDERS.

Orders have been issued in G.O. No. 711, Finance, dated 11th July 1960, fixing the new rates of house rent allowance payable to Government servants. This Government Order makes house rent allowance payable to Government employees in all municipalities, all Taluk headquarters, all Divisional headquarters and certain specified special areas. The Government consider that it is necessary to extend the same concession to the employees borne on Panchayat Union Service working in the same areas. Accordingly the following orders are issued :

2. Under section 57 (3) of the Madras Panchayats Act, 1958, Government direct that house rent allowance shall be payable to all employees of the Panchayat Unions, who are paid out of the Panchayat Union funds, working in the headquarters of those Panchayat Unions whose headquarters offices are located in municipalities, Taluk headquarters, headquarters of Revenue Divisions and the special areas mentioned in the Government Order first cited. (G.O. No. 711, Finance, dated 11th July 1960). The rates of the allowance payable are those applicable to the respective area with reference to the classification in G.O. No. 711, Finance, dated 11th July 1960, as amended by G.O. No. 291, Finance, dated 24th February 1961.

3. The allowance is payable subject to the following conditions :—

(*a*) The allowance will be payable with effect from the date of constitution of the Panchayat Union, or, the date of employment in the Panchayat Union at its headquarters, whichever is later.

(*b*) In the case of Panchayat Unions already constituted, the allowance will be payable with retrospective effect with effect from the date of constitution of the Panchayat Unions, or, the date of employment in the Panchayat Union at its headquarters, whichever is later.

(*c*) The allowance will be payable to those working within the limits of the Headquarters of the Panchayat Union, irrespective of the place of their actual residence.

(*d*) Those employees having free quarters will not be eligible for the allowance.

(*e*) The following categories of employees are not eligible for the allowance :—

(i) Menials paid from contingencies (other than Sanitary workers).

(ii) Sanitary workers who are provided with quarters, free or on nominal rent.

(iii) Sanitary workers who are employed off and on as casual workers.

(iv) Staff paid on nominal muster rolls.

(v) Work-charged establishment.

(*f*) The expenditure on the payment of the allowance should be met entirely from the funds of the respective Panchayat Unions. No grant will be given by the Government to meet deficit, if any, caused by the payment of the allowance.

4. The Collectors are requested to submit to Government a list of places in their districts where house rent allowance will be payable under this order.

5. The Government are aware that in certain cases though the Headquarters offices of the Panchayat Union are outside the limits of the municipality or Taluk headquarters or Division headquarters or the special areas mentioned in G.O. No. 711, Finance, dated 11th July 1960, as the case may be, the areas are so juxtaposed as to warrant the extension of the concession to such Panchayat Union headquarters also. The Collectors are requested to bring such cases to the notice of the Government for specific orders.

**(G.O. Ms. No. 942, R.D. and L.A., dated 28th March 1961.)**



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# OFFICE PROCEDURE—PANCHAYAT UNION OFFICES—INSTRUCTIONS.

In G.O. Ms. No. 1225, dated 20th July 1960, instructions have already been issued regarding the organisation of the Panchayat Union Office into three sections with corresponding staff, as follows :—

I. General Administration Section—

(1) Manager.

(2) Two Upper Division Clerks.

(3) One Lower Division Clerk for work relating to Panchayats.

(4) One Lower Division Clerk for work relating to General correspondence and Panchayat Union Council.

(5) One Cashier (Lower Division Clerk scale).

(6) One typist (to do tappal work also).

(7) One Office Attender.

(8) One Record Attender.

II. Budget and Accounts Section—

(1) Accountant.

(2) One Lower Division Clerk.

III. Education Section—

(1) Head Clerk.

(2) Two Lower Division Clerks.

(3) One Attender in the event of the number of teachers exceeding 250.

The following further instructions are issued in this regard.

2. The question was raised at the Departmental conference of Collectors held in January 1961 regarding the provision of clerical assistance to the Chairman of the Panchayat Union Council. It was suggested by some that the Chairman may be allowed to employ a private clerk. The employment of a private clerk by the Chairman cannot be recognized officially nor can payments be made out of Government funds or Panchayat Union Funds for the employment of such a functionary. Further, it will not be proper for a person not employed by the Panchayat Union or placed at the disposal of the Panchayat Union by the Government to have access to the records of the Panchayat Union. The

proposal to allow a full time clerk to the Chairman does not also recommend itself as there is not likely to be full time work for one clerk. In the distribution of work detailed above, one Lower Division Clerk has been earmarked for work relating to the general correspondence and Panchayat Union Council. This clerk may in addition be asked to work as a Personal Clerk to the Chairman. This arrangement will more than sufficiently meet the need for clerical assistance for the Chairman.

3. The Lower Division Clerk who has been assigned the work relating to Panchayats in the above distribution shall be utilized exclusively for this purpose and he shall work under the immediate supervision of Extension Officer (Panchayat).

4. At present the Extension Officers are maintaining the Personal Registers relating to their different items of work. It has been represented that this arrangement has saddled certain of the Extension Officers, notably the Extension Officer (Agriculture), with a heavy amount of clerical work and thereby the time available for field extension work has been reduced. It has also been brought to the notice of the Government that in some offices N— references were being issued to the Extension Officers from the Block offices and there was unnecessary movement of files and papers. The practice of Extension Officers and Block Development Officers indulging in correspondence with each other as if they belonged to two separate offices is totally inappropriate. It is therefore emphasised that the Panchayat Union Office is to be regarded as a single office and the different Extension Officers are staff officers to the Panchayat Union Commissioner. They are not to be regarded as officers independent of the Panchayat Union Office. All the correspondence from the Panchayat Union Office shall be carried in the name of the Commissioner only and only with his approval. No correspondence shall issue from the Union office unless it has been approved by the Union Commissioner or in routine cases when the Gramasevaks are addressed by the Manager.

5. The only exception to this will be the correspondence relating to Panchayat Audit work. Correspondence relating to this addressed either to the Divisional Panchayat Officers or to the Panchayat Presidents may be approved by the Extension Officer and issued directly in his name. The correspondence between the other Extension Officers and the District Officers of the departments shall be carried only in the name of the Commissioner and with his approval only. Even in respect of technical matters no direct correspondence should be resorted to.

6. The Manager shall be in charge of the office. He shall, subject to the control of the Commissioner supervise the work of

the accountant, the clerks, the cashier, the typist and the attenders and ensure prompt despatch of business. For collection of data, preparation of arrear lists, compilation of statistics and other matters of office administration he shall act in the name of the Commissioner and contact the Extension Officers direct. Tappal distribution, despatch, typing and fair copying and records maintenance shall be supervised by the Manager. Any slackness in the office administration shall be brought to the notice of the Commissioner promptly.

7. In this connexion attention is invited to Memorandum No. 188231/P2/60-2, dated 2nd December 1960 relieving the Extension Officer (Co-operation) of the duty of assisting the Panchayat Union Commissioner in supervising correspondence, checking personal registers, etc.

8. The nature of work in the Panchayat Union Office differs to a considerable extent from the nature of the work transacted in an ordinary administrative office. A good deal of business relates to extension matters that cannot be dealt with by the clerks in the Office and can be disposed of only by the Extension Officers. The clerks can at best only render secretarial assistance of registering, tracing previous papers, issue of reminders, despatch, etc. Therefore noting and drafting have to be done largely by the Extension Officers themselves. In this respect the position of the Extension Officers may be considered to be analogous to that of section heads in big establishments.

9. Since the Extension Officers are touring officers, at the same time it is necessary to ensure that there is no unnecessary movement of papers from the office to the Extension Officers and back nor shauld there be any elaborate system of acknowledging papers at every stage in their movement especially when the papers are put up by the clerk, to the Extension Officers or forwarded by the Extension Officers to the Commissioner. Normally papers marked for the Extension Officers should not be sent outside the office. Each Extension Officer should have definite days for office work and he should dispose of the papers in the office itself, except in cases where it becomes necessary to take out the papers for purposes of local inspection. It will be convenient for the local public as well as to the Panchayat Presidents who may be coming to the Panchayat Union Office for getting information as well as for consultation, if two days in the week are specifically earmarked for office work and the Commissioner and all Extension Officers attend office on that day. These two days may be fixed in consultation with the Chairman and should normally be days when the Chairman also would be attending office. In the cases of Extension Officer (Agriculture), Extension Officer (Panchayats) and the Engineering Supervisor it may be necessary for them to

attend to papers in camps also and therefore consequential arrangements will have to be made to enable them to receive files in camps.

10. Cases have sometimes, been reported of the Accountants having been asked to prepare bills and also required to handle cash, encash bills, etc. This is against established canons of financial propriety. The Accountant should never deal with cash or prepare bills which he will have to check subsequently.

11. Instructions have already been issued in Memorandum No. 203498/T4/60-3, dated 22nd February 1961, to the effect that the services of the staff borne on the National Extension Service establishment and the staff borne on the Panchayat Union establishment should be freely available to each other and there should be no distinction between the two groups in matters of day-to-day administration. It shall be the responsibility of the Commissioner to ensure that the official business gets transacted with unmost expedition and efficiency, keeping in view, however, the canons of financial propriety mentioned above.

12. In the light of the foregoing considerations, the following allocation of work among the staff is suggested :—

1. *General Administration Section.*—

(i) *Manager.*—In charge of office supervision, immediate office discipline, establishment matters, work allotted in the Panchayat Accounts Manual, the Village Panchayat Consolidated Fund order and all other miscellaneous matters.

(ii) *Upper division clerk I.*—Agriculture, Animal Husbandry, Co-operation, Village Industries and Khadi.

(iii) *Upper division clerk II.*—Returns, all works, correspondence work relating to Panchayat Extension work including the apportionment of cesses, taxes, grants, etc.

(iv) *Lower division clerk I.*—For Panchayat audit work only.

(v) *Lower division clerk II.*—General correspondence allotted by Manager, Council work and attending on Chairman.

(vi) *Cashier.*

(vii) *Typist.*

(viii) *Office attender.*—To assist the Supervisor also.

(ix) *Record attender.*—Records and to distribute tappal and to attend to despatch.

II. *Budget and Accounts Section.*—(1) Accountant, (2) Lower division clerk, to attend purely to accounts work and not to be allotted any correspondence work except those relating to audit objections.

III. *Education Section*—(1) *Head Clerk.*—Preparation of bills, education establishment (postings, transfers, promotions, recruitment, etc.).

(2) *Lower division clerk I.*—All other educational establishment matters.

(3) *Lower division clerk II.*—Social Education (both men and for women) and all other miscellaneous education matters. Out of six peons sanctioned for the office, one peon shall be allotted to the Chairman. His headquarters shall be the village where the Chairman resides. The service of the other five peons are to be pooled and utilized in office as well as in the field for carrying tappals and files to camps and to distribute circulars to the panchayats. The services of peons should be available to the office, to the Commissioner, to the Supervisor, the Extension Officer (Panchayat), the Extension Officer (Agriculture) and to other Extension Officers in that order of preference.

13. It is not necessary for the Extension Officers to maintain personal registers. One personal register should be separately maintained by each upper division clerk and each lower division clerk in the General Administration Branch. It is sufficient, for the present, that one personal register should be maintained for the Budget and Accounts section by the lower division clerk concerned. In respect of the Education section, the two lower division clerks should maintain two separate personal registers; the entries relating to the subjects dealt with by the Head Clerk being entrusted to one of them.

14. The following office procedure is prescribed for adoption. The tappal except demi official letters shall be opened by the Manager and the papers received shall be numbered and entered into the distribution register. The distribution of the papers will also be marked by the Manager. The tappal clerk shall hand over the papers to concerned subjects-clerk and take his acknowledgment in the distribution register. The subjects-clerk shall deal with the paper and put it up to the Manager if it is of a routine nature. If the paper is a non-routine one or require to be dealt with by the Extension Officer only then the subjects-clerk shall link the necessary previous references and send it to the Extension Officer concerned. The papers shall not be sent out of the office except in the case of papers relating to the Commissioner, the Panchayat Extension Officer, the Extension Officer (Agriculture) and the Supervisor. In these cases, the peons

should collect the papers from the office and take them to the camp. The Extension Officer after he deals with the case should send it directly to the Commissioner. The Extension Officer shall prepare the necessary drafts while forwarding the papers to the Commissioner. After approval by the Commissioner, the papers shall return to the Manager who will arrange to despatch the fair copy and return the papers to the subjects-clerk. For despatching papers and receiving them from the Extension Officers in camps, optionally a transit register may be used.

With these modifications the office procedure known as the Tottenham System and now followed in District Revenue offices may be followed. These instructions supersede all other instructions on this subject.

(Memo. No. 164207/T/59-6, dated 6th April 1961.)

## ESTABLISHMENT—PANCHAYAT SERVICE—STAFF BORNE ON PANCHAYAT SERVICE—PAY SCALES APPLICABLE—REVISION OF—ORDERS.

In the two Government Orders cited above, orders have been issued regarding the office staff of panchayat unions of the first and second batches. The pay scales applicable to the posts which would be borne on panchayat union service have also been fixed therein. According to these orders the staff borne on Panchayat Union service shall be remunerated at such scales of pay as may be fixed by the panchayat union, but not higher than the following scales of pay :—

(i) Head Clerk—Rs. 125—5—175.

(ii) Lower division clerks—Rs. 90—3—120—2—140.

(iii) Cashier (Shroff)—Rs. 90—3—120—2—140.

(iv) Typist—Rs. 90—3—120—2—140 plus special pay of Rs. 10.

(v) Attenders—Rs. 50—1—70.

(vi) Peons—Rs. 50—1—60.

2. The Government have however reconsidered the pay scales ordered before in the context of representations received from some of the panchayat unions regarding disparities noted in the above scales when compared to scales applicable for similar categories under Municipal and State Government services. The following orders are issued accordingly :—

(a) *Lower division clerks.*—The pay scale of lower division clerks shall continue to be Rs. 90—3—120—2—140 as already ordered. However, following the practice in State Government

and Municipal services it is necessary to give a higher starting salary for lower division clerks with graduate qualification. Accordingly Government Order under section 57 (3) of the Madras Panchayats Act 1958, that lower division clerks with graduate qualification in panchayat union offices shall start on such scale as may be fixed by the panchayat union but not higher than Rs. 102 in the scale of pay of Rs. 90—3—120—2—140.

(*b*) *Attenders.*—Under section 57 (3) of the Madras Panchayats Act, 1958, the Government direct that attenders in panchayat union offices shall be remunerated at such scales of pay as may be fixed by the panchayat union but not higher than the scale of pay of Rs. 55—1—70.

3. After due consideration the Government have decided that there is no necessity to revise the scales of pay allowed for the other categories borne on Panchayat Union service.

(G.O. Ms. No. 1110, R.D. and L.A., dated 15th April 1961.)

PANCHAYATS—EXECUTIVE OFFICERS—CONSTITUTION OF GOVERNMENT SERVICE—CONSEQUENTIAL RECLASSIFICATION OF PANCHAYATS AND GRADES OF EXECUTIVE OFFICERS—ABSORPTION OF EXISTING EXECUTIVE OFFICERS IN THE NEW GRADES—ORDERS.

In G.O. P. No. 1506, L.A., dated 8th September 1960, the Government ordered that Executive Officers of panchayats should be made Government servants and that a State Subordinate Service should be constituted for them and also that there should be only two grades of Executive Officers on the following scales of pay :—

Grade I—Rs. 125—5!-175.

Grade II—Rs. 90—4—110—3—140.

2. There are at present 325 notified panchayats (Class I and Class II) having wholetime Executive Officers in the following grades :—

| | |
|---|---|
| Selection grade ... ... ... ... | 11 |
| Grade I ... ... ... ... ... | 62 |
| Grade II ... ... ... ... ... | 98 |
| Grade III ... ... ... ... ... | 154 |
| Total ... | 325 |

3. Under section 40 (1) of the Madras Panchayats Act, 1958, a wholetime Executive Officer shall be appointed for every *town* panchayat, i.e., panchayats having a population exceeding 5,000

and an annual income of Rs. 10,000. The Government therefore direct that the Executive Officers in Class II (village) panchayats be withdrawn; that the town panchayats be classified into three grades based on their annual income; and that the panchayats in those grades be placed under the charge of Executive Officer as shown below :—

| *Classification of the panchayats on the basis of annual income.* | | | *The grades of Executive Officers who are to be in charge of the panchayats and their scales of pay.* | |
|---|---|---|---|---|
| *Annual Income.* | *Grade.* | *Number of panchayats in each.* | *Grade.* | *Number of Executive Officers.* |
| (1) | (2) | (3) | (4) | (5) |
| 1 Exceeding Rs. 1,00,000 | Selection Grade. | 11 | First Grade Executive Officers on Rs. 125–5–175. | 171 |
| 2 Exceeding Rs. 20,000 but not exceeding Rs. 1,00,000. | I Grade | 160 | | |
| 3 Not exceeding Rs. 20,000 | II Grade | 154 | Second Grade Executive Officers on Rs. 90–4–110–3–140. | 154 |

The first grade Executive Officers appointed to the selection grade panchayats shall be paid a special pay of Rs. 25 per mensem (rupees twenty-five only) in addition to their grade pay.

4. The following principles should be observed in absorbing the existing Executive Officers in the new grades :—

(i) Executive Officers who are at present holding selection grade posts in a substantive capacity will be brought into the new first grade and arranged according to seniority for purposes of appointment to selection grade panchayats in future.

(ii) Approved probationers and probationers in the selection grade will be arranged according to their seniority and brought into first grade. They will be appointed to selection grade according to their seniority.

(iii) Executive Officers holding first grade posts in substantive capacity at present will be brought into new first grade and will take rank according to their seniority.

(iv) Approved probationers and probationers in the first grade will be brought into first grade and arranged according to their seniority, next below the permanent first grade Executive Officers.

(v) Such of the Executive Officers as are holding substantive posts in the second grade as could be absorbed in the new cadre strength of first grade will be brought into the new first grade and will take rank according to their seniority next below the approved probationers and probationers in the existing first grade.

(vi) The remaining Executive Officers in the second grade will be brought into second grade.

(vii) All the third grade Executive Officers, permanent, approved probationers or probationers will be brought into the new second grade and arranged according to their seniority.

**(G.O. No. 1128 R.D. and L.A., dated 17th April 1961.)**

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## TRAINING—THIRD BATCH OF PANCHAYAT UNIONS—BLOCK LEVEL STUDY CAMPS FOR PRESIDENTS OF PANCHAYATS AND BLOCK PERSONNEL—ORDERS.

In G.O. Ms. No. 337, R.D. and L.A., dated 7th February 1961 orders have been issued for conducting Block Level Study Camps for the presidents of panchayats and for the block personnel in all the Panchayat Development Blocks where panchayat unions will be inagurated on 13th April 1961. The Collectors have taken steps in this regard.

2. The Government have now decided that similar Block Level Study Camps for Presidents of Panchayats and for the Block personnel in all the Panchayat Development Blocks which will become Panchayat Unions on 2nd October 1961 should be organised from 1st July 1961 onwards.

3. Accordingly the following instructions are issued for the conduct of Block Level Study Camps :—

(i) In each one of the Panchayat Development Block selected for the implementation of the Panchayats Act, a Study Camp of not less than four days and not more than six days duration at the Block headquarters or at such other suitable place within the Block, as may be decided upon by the Revenue Divisional Officers concerned should be conducted.

(ii) The participants in the Study Camp should be—

(*a*) All Presidents of Panchayats in the Block;

(*b*) Block personnel (including all Extension Officers and Social Education Organisers); and

(*c*) the Study Camps should be conducted by the Revenue Divisional Officer having jurisdiction over the Block with the assistance of the Divisional Panchayat Officer. Among the District Level Officers, the District Agriculture Officer should be invited to participate and devote as much time as he can spare for each Block,

4. The Presidents of Panchayats will be eligible for a single second class railway fare each way for their to and fro journeys by rail and mileage at the following rates :—

(i) If they perform the journey between places connected by rail, travelling allowance for such journeys should be limited to the amount they would be entitled to, had they performed the journeys by rail;

(ii) between places not connected by rail but by regular motor transport a mileage of three annas is allowed; and

(iii) between places neither connected by rail nor by public motor transport, a mileage of six annas per mile is allowed. They will also be eligible to draw a daily allowance of Rs. 3·50 (rupees three and naye paise fifty only) per day of attendance at the Study Camps. The Block Development Officer concerned will be the countersigning authority in respect of the travelling allowance bills of the Presidents of Panchayats.

5. The expenditure on account of travelling allowance should be debited to " 63. B. Community Development Projects, National Extension Service and Local Development Works—(i) Community Development Projects—b. Project Block Headquarters—3. Allowances."

6. Sanction is also accorded to an expenditure not exceeding Rs. 300 (rupees three hundred only) towards incidental expenses in connection with each Study Camp. This expenditure should be met from the provision under " Social Education " in the Block budget. The Block Development Officers should ensure utmost economy in incurring the expenditure.

7. Every endeavour should be made by all Revenue Divisional Officers to complete the Study Camps successfully before the 20th September 1961.

8. The Collectors are requested to issue detailed instructions to the Revenue Divisional Officers and Block Development Officers concerned so that the Study Camps are conducted according to a well-designed programme. The Collectors are also requested to take personal interest in the conduct of these Study Camps and personally participate in them as much as they can. It should be ensured that the Study Camps are conducted on uniform lines and the educational programme should be based on the Study Camps conducted for the first or second batch of Blocks.

9. At the conclusion of each Block Level Study Camp, it should be ensured that the Panchayat Presidents undertake on return to their villages to convene a special session of the Village Panchayat (extending as necessary over a number of consecutive days) at which the members of the Village Panchayat acquaint themselves thoroughly with the implications of the implementation of the new Panchayats Act. The Panchayat Presidents should also be advised to invite to these special meetings of Panchayats, the village officers

concerned as well as other non-members of the Panchayat whose active co-operation will be necessary for the successful implementation of the new Panchayats Act.

10. A report on the action taken in pursuance of this order, together with an evaluation of the result should be submitted to Government by Collectors not later than 31st October 1961.

(G.O. Ms. No. 1448, R.D. and L.A. dated 23rd May 1961).

ESTABLISHMENT—ENGINEERING—PANCHAYAT—COMMON ENGINEERING STAFF FOR PANCHAYAT WORKS—DISBANDED—INTEGRATION OF THE TECHNICAL PERSONNEL WITH THE HIGHWAYS AND RURAL WORKS DEPARTMENT AND THE NON-TECHNICAL PERSONNEL WITH THE PANCHAYAT UNION OFFICES—ORDERED.

In G.O. Ms. No. 936, L.A., dated 5th May 1959, the Government ordered (i) that the execution of Panchayat works in "active" Development Blocks should be entrusted to the Junior Engineer or Supervisor (known as Extension Officer for Engineering) concerned; and (ii) that the execution of Panchayat works in other areas, i.e., "shadow" blocks should be entrusted to the Supervisor of the Highways Department having jurisdiction over the area, instead of employing separate Engineering staff for Panchayat works. Subsequently in G.O. Ms. No. 851, L.A., dated 9th May 1960, the Government directed that the technical supervision of all "Rural Works", i.e., works of District Boards and Panchayats as well as National Extension Service Scheme, Community Development Works and Local Development Works should be entrusted to a single self-contained Engineering Organization and that all the establishments in charge of the said works should be integrated into a common cadre in order to secure efficient utilization of their service and to assure them of satisfactory career. The Highways Department has accordingly been reorganised to suit the future pattern of Panchayat administration, merging with it the Minor Irrigation staff, Engineering staff for Rural Works and National Extension Service Engineering staff. The reorganised Highways Department has been designated as the Highways and Rural Works Department. The common Engineering staff constituted on a temporary basis for execution of Panchayat works need not therefore be continued as a separate entity.

2. The details of the staff sanctioned for the execution of Panchayat works are as shown below :—

| *Serial number and Designation.* (1) | *Strength.* (2) |
|---|---|
| 1 Supervisors .. .. .. .. .. .. .. | 11 |
| 2 Overseers .. .. .. .. .. .. .. | 32 |
| 3 Works Superintendents .. .. .. .. .. | 2 |
| 9 Lower Division Clerk .. .. .. .. .. .. | 1 |
| 5 Attenders .. .. .. .. .. .. .. | 10 |
| 6 Peons .. .. .. .. .. .. .. .. | 12 |

The staff has been under the control of the Inspector of Municipal Councils and Local Boards, Madras, and the appointment, postings, transfers are ordered by him under section 34 (8) (i) (*b*) of the Madras Village Panchayats Act, 1950.

3. In pursuance of the orders referred to in paragraph 1 above, the Chief Engineer (Highways and Rural Works) has taken steps to integrate from 1st April 1961, the technical personnel of the said staff with Highways and Rural Works Department, viz., 11 Supervisors and 32 Overseers. As regards the non-technical staff of one lower division clerk, 10 attenders and 12 peons and two Works Superintendents, the Inspector of Municipal Councils and Local Boards and the Chief Engineer (Highways and Rural Works) have recommended that they may be absorbed in the Panchayat Union offices. The Government accept the recommendation of the Chief Engineer (Highways and Rural Works) and the Inspector of Municipal Councils and Local Boards, Madras, and direct that two Works Superintendents, one lower division clerk, 10 attenders and 12 peons referred to above be absorbed in the Panchayat Union offices and the Block Planning offices.

4. The action of the Chief Engineer (Highways and Rural Works Department) in having integrated the services of the 11 Supervisors and 32 Overseers for Panchayat works with the services of Highways and Rural Works Department with effect from 1st April 1961 pending orders of the Government and of the Inspector of Municipal Councils and Local Boards, Madras, in having relieved them on 31st March 1961 afternoon in anticipation of the approval of the Government is also ratified.

5. The Collectors are requested to take immediate action in consultation with the Inspector of Municipal Councils and Local Boards, Madras, to get the two Works Superintendents, 10 attenders and 12 peons absorbed in the Panchayat Union offices and the Block Planning offices. The one lower division clerk and two Works Superintendents should be absorbed in the Panchayat Union offices in the districts in which they are now working.

**(G.O. Ms. No. 1661, L.A., dated 14th June 1961.)**

## ESTABLISHMENT—PANCHAYAT UNION OFFICES, III BATCH—FIXATION OF STRENGTH—RECRUITMENT OF STAFF—SANCTION OF POSTS—ORDERS.

In G.O. Ms. No. 1225, R.D. and L.A., dated 20th July 1960 and G.O. Ms. No. 109, R.D. and L.A., dated 12th January 1961, orders were issued fixing the categories and number of staff to be employed in the first and second batches of Panchayat Unions The same scale of staff, as given below, is now sanctioned for the offices of each of the Panchayat Unions of the third batch

Pa 351 to 356 Go ms 1941- 13-7-61.

due to be formed on the 2nd October 1961. This scale should be deemed to have been fixed by Govarnment under section 57 (3) of the Madras Panchayats Act, 1958—

| | | |
|---|---|---|
| (i) | Manger | One. |
| (ii) | Accountant | One. |
| (iii) | Head Clerk | One. |
| (iv) | Upper Division Clerks | Two. |
| (v) | Lower Division Clerks | Five. |
| (vi) | Cashier (Shroff) | One. |
| (vii) | Typist | One. |
| (viii) | Attender | Two (plus one more in the event of the number of teachers exceeding 250). |
| (ix) | Peons. | Six. |
| (x) | Jeep Driver. | One. |

As in the case of the staff of the first two batches of Panchayat Unions, in the third batch Unions also, the Manager, Accountant, the two Upper Division Clerks and the Jeep Driver will constitute the National Extension Service Establishment and their services will be placed free of charge at the disposal of the Panchayat Unions when the execution of the National Extension Service Scheme of Community Development is entrusted to them under section 66 of the Act. The Head Clerk, Lower Division Clerks, Cashier, Typist, Attenders and Peons will constitute the staff to be maintained by the Panchayat Unions at their own cost.

2. *Recruitment of the Staff*—(a) *Manager*.—The Managers for the third batch Panchayat Unions will be selected by the Additional Development Commissioner and the names of the persons so selected will be communicated to the Collectors shortly. In making this selection preference will be given to Superintendents and senior Upper Division Clerks of the District Board. Claims of persons who have already been posted in the first two batches of Panchayat Unions as Head Clerks and Upper Division Clerks will also be considered for this purpose if they are senior enough. The balance of requirement will be met by recruitment from other departments. Applications had already been invited from the personnel in other departments for recruitment as Managers, Upper Division Clerks and Accountants in the Panchayat Unions and the applications received are now being scrutinised at Government level.

(b) *Accountants*.—Upper Division Clerks of the District Boards who have passed the Account Test for Subordinate Officers, Part I, shall be eligible for appointment as Accountants. Though the Account Test for Local Board employees is not equivalent to

Account Test for Subordinate Officers, Part I, Government also order that Upper Division Clerks or Lower Division Clerks of District Boards who have passed the Account Test for Local Board employees shall be deemed to be qualified for appointment as Accountants in the Panchayat Unions. The balance of requirements will be met by recruitment from other Departments. A panel of names of persons eligble for appointment as Accountants will be communicated to the Collectors by the Additional Development Commissioner shortly.

(c) *Upper Division Clerks.*—Those Upper Division Clerks, if any, in District Board offices, who have not been posted as Manager, Accountant or Head Clerk in the Panchayat Unions should be posted as Upper Division Clerks in the Panchayat Unions. Lower Division Clerks with more than three years of service working in the District offices or in the Revenue establishment or in the posts attached to Panchayat Extension Officers, Block Planning Officers or Divisional Panchayat Officers may also be considered to be eligible for promotion as Upper Division Clerks in Panchayat Unions. The Manager, Accountant and the Upper Division Clerks will be borne on the District Revenue Establishment till such time as separate cadres are constituted for the Government employees in Panchayat Unions.

(d) *Head Clerks.*—The Head Clerk should be selected from among the Upper Division Clerks in the District Board offices. If no Upper Division Clerks are available, Lower Division Clerks in District Board Offices with not less than three years of service may be considered to be eligible for promotion as Head Clerks in Panchayat Unions.

(e) *Lower Division Clerks, Cashiers, Typists and Attenders.*—Members of the District Board establishment who are suitable for being posted as Lower Division Clerks, Cashiers, Typists and Attenders in the Panchayat Union Offices should be absorbed as such. The balance of requirement should be met by recruitment from the open market. For the purpose of interviewing and selecting the candidates, Collectors should constitute *ad hoc* committees consisting of the Personal Assistant to the Special Officer, one of the other Personal Assistants to the Collector and the Revenue Divisional Officer of the Division for which the recruitment is made.

The Typist should be qualified in Tamil Typewriting, as the third batch Unions will be supplied with Tamil typewriters only.

In the recruitment of Shroffs, the attention of the Collectors is invited to Memorandum No. 72575/T4/59-16, dated 31st January 1961. Retrenched Shroffs of Revenue Department who have gained an experience of not less than one year and who possess good service records may be absorbed as Cashiers in Panchayat

Unions even if it requires relaxation of educational qualification. Proposals for the relaxation of relevant rules in respect of such retrenched Shroffs may be sent to Government.

The open market recruitment of Attenders will be restricted to Panchayat Clerks, Panchayat Group Clerks and Panchayat Bill Collectors who are likely to be retrenched consequent to the orders issued in G.O. No. 644, R.D., dated 9th August 1960. Applications from other persons should not be entertained for such appointment. If there are vacancies in Attenders after transferring the District Board employees and recruiting Panchayat Clerks and Bill Collectors the posts should be left vacant to be filled up by the Union.

In the open market recruitment of Lower Division Clerks preference should be given to Panchayat Clerks, Panchayat Group Clerks and Panchayat Bill Collectors who are likely to be retrenched consequent to G.O. No. 644, R.D., dated 9th August 1960, if they are qualified. Claims of the Panchayat employees referred to above for appointment as Lower Division Clerks and Attenders may also be considered even if they do not have the minimum educational qualification, if they are found otherwise fit. Such appointments may be made on a purely temporary basis and particulars of such appointments may be reported to Government for relaxation of the rules prescribing minimum qualification. Attention is invited in this connection to Memorandum No. 29229/T4/61, dated 14th March 1961 of Rural Development and Local Administration Department.

Where suitable qualified hands are not available through open market recruitment for posting as Cashiers and Typists, Collectors may appoint to such posts Cashiers and Typists borne on Government establishment. Cashiers and Typists so posted will continue to draw their pay and allowances at Government rates and their service in the Panchayat Unions will also be counted as Government service. Collectors should, however, ensure that such Government Typists and Government Cashiers are replaced with Panchayat Union employees as early as possible.

Appointments to the posts of Lower Division Clerks, Cashiers, Typists and Attenders can be made by the Collectors only prior to the constitution of the Panchayat Unions. If any vacancy exists in any of these posts subsequent to the constitution of the Unions, Collectors will not be empowered to make appointments against such vacancies. Then the power to make appointments to these posts which are paid out of Panchayat Union funds. will vest with the Commissioner of the Panchayat Union concerned.

(*f*) *Peons.*—Peons available in the District Board establishment should be absorbed in the Panchayat Unions before their constitution. In the case of those of the Panchayat Unions which are already Blocks they will be having a staff of peons. These

peons have to be transferred to the Panchayat Unions. In making such transfer the peons in the Block offices should be included in the Division list and the junior most peons in this list posted to the Panchayat Union offices.

(g) *Jeep Driver.*—The post of Jeep Driver shall continue to be treated as a separate category in the Madras General Subordinate Service as indicated in G.O. No. 2462, Public (R.D.P.), dated the 16th July 1956. The majority of Panchayat Unions will be getting a Jeep only after a few more months. The post of Jeep Driver should be filled up only after the arrival of the jeep in the Panchayat Union.

The Offices of the Panchayat Unions of the Third Batch should be formed with effect from 1st August 1961, except where otherwise indicated. The staff recruited as described above, except in cases where they are already working in the District Board, should be put on the District Board establishment by creating such number of additional posts as may be necessary as temporary extensions of the District Board staff to cover the period from 1st August 1961 to 2nd October 1961.

3. *Pay of the Staff—(a) Staff borne on Government service.*—The scale of pay for the post of Manager will be Rs. 150—5—200. For the rest of the posts forming part of the National Extension Service Establishment, the prescribed Government scales of pay will continue to apply.

The Accountant will however be paid a special pay of Rs. 15 per mensem in view of the more responsible and arduous nature of the duties attached to the posts of Accountants working in Panchayat Union Offices. But this special pay will be payable only with effect from the date of constitution of the Panchayat Unions.

(b) *Staff borne on Panchayat Union Service.*—This staff shall be renumerated at such scales of pay as may be fixed by the Panchayat Union, but not higher than the scales given below :—

| *Designation.* (1) | *Scales of pay.* (2) |
|---|---|
| Head Clerk .. | Rs. 125—5—175. |
| Lower Division Clerks.. .. | Rs. 90—3—120—2—140. (Graduates to start on such pay as may be fixed by the Panchayat Union but not higher than Rs. 102 per mensem.) |
| Cashiers .. .. .. .. | Rs. 90—3—120—2—140. |
| Typists .. .. .. .. | Rs. 90—3—120—2—140. (Plus special pay of Rs. 10. If the typist is qualified in Tamil Typewriting by the Higher grade his special pay will stand increased to Rs. 15 per mensem.) |
| Attenders .. .. .. .. | Rs. 55—1—70. |
| Peons .. .. .. .. | Rs. 50—1—60. |

The pay and allowances of the Head Clerk, two of the Lower Division Clerks, Attender attached to Education section if any, and one Peon should be debited to the Panchayat Union Education Fund. The pay and allowances of the remaining staff borne on Panchayat Union Service should be debited to the Panchayat Union (General) Fund.

(c) *Fixation of pay.*—In the case of those District Board employees drafted as Managers, Upper Division Clerks or Accountants in the Panchayat Union Offices who were drawing in their previous posts total emoluments higher than the minimum of the time-scale prescribed for the concerned posts in the Panchayat Union their pay has to be fixed at the appropriate stage under Fundamental Rule 27. Collectors are requested to report such cases with full particulars for orders of Government. In the case of persons already in Government service who are appointed to Government posts in Panchayat Unions their pay has to be fixed with raference to Fundamental Rule 22 (*a*) (i) read with note 3 under Fundamental Rule 22, or at the minimum in the new time-scale, as the case may be. For this purpose the post of the Manager of a Panchayat Union may be deemed to be equal in responsibility to that of a Taluk Head Accountant.

4. *Organization of the Office.*—Attention is invited to the instructions issued in Memorandum No. 164207/T-1/59-6, dated the 6th April 1961, of Rural Development and Local Administration Department regarding the organisation of the Panchayat Union Offices and other allied matters.

5. The expenditure on the Government staff sanctioned in this order will be debited to the concerned detailed head under " 25. General Administration s. General establishment—A. Collectors and Magistrates—1. Pay of establishment—3. Allowances, etc."

(G.O. Ms. No. 1941, R.D. and L.A., dated 13th July 1961.)

PANCHAYAT UNIONS—THIRD BATCH PANCHAYAT UNIONS—POSTING OF BLOCK DEVELOPMENT OFFICERS AND EXTENSION OFFICERS (PANCHAYATS)—ORDERS.

According to the phased programme of implementation of the Madras Panchayats Act, 1958, the third batch of Panchayat Unions will be constituted on the 2nd October 1961. It is expected that the total number of Unions in the third batch will be 170. Out of these, 82 are already Blocks under the Community Development Programme, either in the Pre-extension Stage or in Stage I. In the rest of the Panchayat Development Blocks, there is only a Block Planning Officer now functioning with one Lower Division Clerk and one Revenue Inspector.

2. It is nacessary to form a full fledged office in each of the Third Batch Unions well in advance of the date of constitution of the Unions. Various important items of work have to be attended to and the office brought to its full shape before October 1961. For each Union Office 3–4 Lower Division Clerks have to be recruited anew and trained. Orders have already been issued in G.O. Ms. No. 1337, Rural Development and Local Admininistration, dated 11th May 1961 sanctioning an amount of Rs. 1,000 for putting up 'Pandal' halls as adjuncts to the Block Planning Offices, to meet the increased requirements of space for the Panchayat Unions. Orders will separately issue regarding the supply of furniture, cycles, cash-chests, typewriters, duplicators and stationery to the Third Batch Unions. The following items of work have, therefore, to be taken care of ahead of the constitution of the Unions in each of the Third Batch Blocks :—

(i) Separation of records in the District Boards office and transfer of the concerned records to the Union Office and their safe custody.

(ii) Collection of full data regarding schools and initial action regarding the completion of service registers, pay fixation, etc., of the teachers.

(iii) Getting the entire office staff in position and giving them proper training.

(iv) Equiping the office suitably.

(v) Action to formulate part year Panchayat Union Budget for 1961–62.

3. In the 82 Pre-extension and Stage I blocks which are to become Panchayat Unions on 2nd October 1961 and where Block Development Officers are available they can attend to the above items of work. However this is not the case in the 88 Panchayat Development Blocks which are now manned by Block Planning Officers of the grade of a Deputy Tahsildar who are responsible for drawing up the Third Five-Year Plan for the shadow blocks. They also act as the Deputy Panchayat Officers for the shadow Blocks. In the normal course these Unions will become eligible for a Block Development Officer of the grade of a Tahsildar in the place of the present Block Planning Officer with effect from 2nd October 1961. For attending to the preparatory items of work it is necessary to have these Block Development Officers in position at least two months ahead of the Constitution of the Unions. This is necessary also for giving the Block Development Officers sufficient time to fully acquaint themselves with local conditions and to ensure a smooth transition from a shadow block to a Panchayat Union without passing through the active block stage.

4. Sanction is, therefore, accorded for the post of a Block Development Officer in each of the 88 shadow blocks in the place of the present Block Planning Officer, with effect from 1st August 1961.

5. As the Block Planning Officers have also been performing the functions of Deputy Panchayat Officers it is necessary to sanction an Extension Officer for Panchayat also for attending to this part of the work, from the date of withdrawal of the Block Planning Officers. The Madras Public Service Commission has already selected 120 candidates for appointment as Extension Officers (Panchayats). Action is being taken separately for organising a study course and job-training for these candidates. These candidates are expected to be ready for appointment by August 1961. Sanction accorded for the posts of 101 Deputy Panchayat Officers in G.O. Ms. No. 1825, Local Administration, dated 17th November 1960 will be utilized in these 88 blocks.

6. The expenditure on the Block Development Officers and Extension Officers (Panchayats) shall be debited to " 25. General Administration—s. General establishment—A. Collectors and Magistrates—2. Pay of establishment—3. Allowances, etc.".

(G.O. Ms. No. 1942, R.D. and L.A., dated 13th July 1961.)

## PANCHAYAT DEVELOPMENT—PERFORMANCE OF CLERICAL DUTIES OF VILLAGE PANCHAYATS—EMPLOYMENT OF PART-TIME CLERKS AND SCALE OF ALLOWANCES FOR SUCH CLERKS—REVISED ORDERS ISSUED.

In paragraph 10 of G.O. Ms. No. 644, R.D., dated 9th August 1960, it has been stated that the Village Panchayats should be free *either* to employ the karnam *or* to make such local arrangements as they may find to be appropriate for the performance of the clerical duties relating to general administration including the maintenance of minutes of the meetings and the cash accounts of receipts and expenditure; but that the cost of such arrangements should not be disproportionately high in relation to the normal income of the panchayat. In paragraph 8 of G.O. Ms. No. 411, R.D. and L.A., dated 16th February 1961, it has been explained that, if a Village Panchayat does not utilize the services of the karnam of the village but employs a clerk for the purposes referred to above, the total expenditure on the employment of such clerk should not exceed 6¼ per cent of the normal annual receipts of the panchayat including the Village House Tax Matching Grant and excluding all non-statutory Government Grants.

2. It has been represented to the Government that 6¼ per cent of the normal annual receipts as defined above as the ceiling for expenditure on the employment of clerk is wholly inadequate and that it would not be possible for most of the panchayats to obtain the services of a part-time clerk at that rate. This matter was also discussed in the Collector's Conference held at Ootacamund in May 1961.

3. After careful examination of the matter with reference to (i) the representations made to them, and (ii) the discussions at the Collectors' Conference, the Government recognise that the prescribed maximum of 6¼ per cent of the normal annual receipts may not be sufficient as salary for the Panchayat clerk. At the same time, the Government consider that, as already stated, the maximum rate of allowance payable by a Village Panchayat to its clerk (part-time or full time) should not be disproportionately high in relation to its normal annual income.

4. The Government observe that, for purposes of declaration of local areas as Town Panchayats and Municipalities, involving the appointment of wholetime paid executive officers, not only the annual income of the local authority concerned but also its population is taken into account. Every Village Panchayat is expected to raise a revenue of not less than one rupee per capita per annum. Based on these facts, the Government consider that the following scale of salary or allowance payable by a village panchayat to its clerk will be reasonable and within the means of the panchayat :—

| *Class of panchayat.* | *Maximum salary or allowance payable to the panchayat clerk.* (RUPEES PER MENSEM.) |
|---|---|
| I Panchayats with population exceeding 5,000 and not classified as Town Panchayats | 50·00 |
| II Panchayats with population between 4,000 to 5,000 .. | 40·00 |
| III Panchayats with population between 3,000 to 4,000 .. | 30·00 |
| IV Panchayats with population between 2,000 to 3,000 .. | 25·00 |
| V Panchayats with population between 1,500 to 2,000 .. | 20·00 |
| VI Panchayats with population less than 1,500 .. .. | 15·00 |

5. Accordingly in supersession of the previous orders on the subject, the Government direct that the Village Panchayats be classified into six classes (with reference to the 1961 Census population) as stated in paragraph 4 above and that the maximum amount of salary or allowance payable to the Panchayat clerk be fixed in respect of each panchayat in accordance with the above scale.

6. The services of the Panchayat clerks in Villages should be normally deemed to be part-time service and the Government consider the scales of salary prescribed in paragraph 4 above to be adequate to such service. It has been suggested that there might be exceptional cases where the services of a part-time clerk cannot be secured except on the basis of higher remuneration and such remuneration can be ready afforded by the Panchayats concerned.

If in the opinion of the Collector such an exceptional case exists, he may (at the request of the Panchayat concerned) accord special sanction for payment of higher salary. Such salary shall not exceed Rs. 50 per mensem and shall not also exceed the amount prescribed in paragraph 4 above by more than Rs. 10 per mensem.

(G.O. Ms. No. 2339, R.D. and L.A., dated 28th August 1961.)

PANCHAYAT DEVELOPMENT—SPECIFICATION OF DUTIES TO BE PERFORMED BY VILLAGE OFFICERS ON BEHALF OF VILLAGE PANCHAYATS—PAYMENT OF PANCHAYAT DEVELOPMENT ALLOWANCE—FURTHER ORDERS ISSUED.

Under the orders issued in paragraph 7 of G.O. Ms. No. 644, R.D., dated 9th August 1960, the Village Panchayats will function as the Planning Authorities at the village level. Since the Government Order was issued, considerable further responsibilities have devolved on the Panchayats. In G.O. Ms. No. 3792, Food and Agriculture, dated 16th November 1960, the Panchayats have been made responsible for drawing Agriculture Production Plan for the village and administering them. In G.O. Ms. No. 972, R.D. and L.A., dated 4th April 1961, the public lands at the disposal of the Government have been made available for the use of the panchayats. In G.O. Ms. No. 1550, R.D. and L.A., dated 30th May 1961, the State-owned trees have been entrusted to the care of the panchayats and further development of tree-plantation is to be one of the responsibilities of the Panchayats. In G.O. Ms. No. 1370, R.D. and L.A., dated 16th May 1961, the fishery rentals and the right to auction fisheries have been assigned to the panchayats and they are to undertake further intensive development of inland fisheries.

2. Under paragraph 7 of G.O. Ms. No. 644, R.D., dated 9th August 1960, the Village Officers are required to assist the Village Panchayats in the performance of their duties as Planning Authorities. They are also required to assist the Village Panchayats in the performance of the other functions mentioned in paragraph 1 above which have devolved on the Village Panchayats. In paragraph 9 of the said Government Order the assistance required by the Village Panchayats in the matter of collection of Panchayat Revenues has been declared as part of the normal duties of the Village Officers. In the discharge of all the functions to be performed by the Karnam on behalf of Panchayat Administration, he will have to be responsible for :—

(i) the maintenance of all records and registers relating to—

(*a*) the planning and development at village level;

(*b*) the assessment and collection of local (panchayat) revenues; and

(*c*) the land and other assets vested in the Panchayats; and

(ii) sending up returns in respect of the above matters. It is obligatory on the part of the karnam to do these duties on behalf of panchayats.

3. In paragraph 10 of G.O. Ms. No. 664, R.D., dated 9th August 1960, the duties of the Village Panchayat Secretary have been defined as follows :—

(i) maintenance of the minutes of the meetings of the Panchayat;

(ii) maintenance of prescribed cash accounts of the Panchayat; and

(iii) clerical work relating to the general administration of the Panchayat.

Under the orders in the said Government Order the karnams are expected to undertake to do duties of the Village Panchayat Secretaries also, if Panchayats so desire.

4. It has been found that in many cases the karnams may not be able to do full justice to the duties of Village Panchayat Secretary if he were to perform all the obligatory functions referred to in paragraph 2 above. It has also been found that the amount of allowance payable for the duties as Village Panchayat Secretary under the orders issued in G.O. Ms. No. 644, R.D, dated 9th August 1960 as explained later in G.O. Ms. No. 411, R.D. and L.A., dated 16th February 1961, is not commensurate with the said duties. Orders are being issued separately fixing a higher maximum salary or allowance payable in respect of duties referred to in paragraph 10 of the said Government Order. The Government have, therefore, decided that there is no need for a functionary to be designated as Village Panchayat Secretary.

5. In paragraph 13 of G.O. Ms. No. 644, R.D., dated 9th August 1960, the allowance payable to the Karnam for the work connected with Panchayat Administration has been fixed as follows :—

(i) at the rate of Rs. 15 per month, if he has a normal charge and if the duties which he is required to perform include those of a Village Panchayat Secretary;

(ii) at the rate of Rs. 12 per month—

(*a*) if he has a light charge and the duties which he is required to perform include those of a Village Panchayat Secretary; or

(*b*) if he has a normal charge, and the duties which he is required to perform do not include those of a Village Panchayat Secretary; and

(iii) at the rate of Rs. 10 per month, if he has a light charge and the duties he is required to perform do not include those of a Village Panchayat Secretary.

In the light of the foregoing decisions about the redefinition of the karnams' duties in relation to the Panchayats, and in modification of the orders contained in paragrap 13 of G.O. Ms. No. 644, R.D., dated 9th August 1960, the Government direct that the karnams should be paid Panchayat Development Allowance at the rate of—

(i) Rupees 15 (rupees fifteen only) if he has a normal charge; and

(ii) Rupees 12 (rupees twelve only) if he has a light charge. The Panchayat Development Allowance due for October 1961 payable in November 1961 and for all subsequent months should be drawn and disbursed at these rates.

6. If in any case the Village Panchayat desires to entrust the part-time clerk's work also to the karnam and if the karnam is also willing to perform such duties, the Revenue Divisional Officer concerned may permit the karnam to undertake such work on payment of such allowance for this work as may be fixed by the Panchayat. Such allowance should not exceed the maximum rates prescribed in the orders issued separately for Panchayat Clerks and will be payable out of Panchayat Funds. The amount payable out of Government Funds as Panchayat Development Allowances will not be affected in any way by such arrangements made on the basis of mutual agreement between the Panchayats and the karnams.

(G.O. Ms. No. 2340, R.D. and L.A., dated 28th August 1961).

(G.O. 1381 — dt. 9-8-60)

# TAXATION AND FINANCE.

## VILLAGE HOUSE TAX MATCHING GRANT.

The Government have passed the following orders, clarifying certain points with regard to the payment of Village House Tax Matching Grant.

2. *How the amount of grant payable to each village panchayat every year shoubd be assessed and paid*.—The Village House Tax Matching Grant is payable with reference to the amount of house tax *collected*. So no distinction should be made between collections of arrear demands and collections of current demands in assessing the grant payable to a village panchayat. The amounts actually collected from out of both the arrear and current demands should be taken into account in assessing the grant payable to each panchayat.

The house tax assessment will ordinarily be mixed up with Library Cess levied under the Madras Public Libraries Act, 1948 or the additional house tax levied for water-supply or lighting under rule 19 of Schedule IV of the former Madras Local Boards Act, 1920, or the water tax levied under section 25 of the Madras Public Health Act, 1939. Therefore the details of the demand, collection and balance relating to these items should be kept distinct and separate from the main house tax levied and collected under the Panchayats Act so that the amount of Village House Tax Matching Grant payable under the Act may be calculated and paid correctly without difficulty.

3. *Whether the amount should be paid annually in one lump sum or in instalments*.—Under section 120 (3) of the Madras Panchayats Act, 1958, as well as under the 1950 Act, the house tax is leviable every half-year. The term 'year' means the financial year according to section 2 (37) of the 1958 Act. The house tax is accordingly assessed and collected for the half years ending 30th September and 31st March every year. As the house tax is levied and collected every half-year, the Government have decided that the Village House Tax Matching Grant should also be paid in two half-yearly instalments with reference to the collections for each half-year. The particulars of collection in a half-year will be available in the succeeding half-year. So the amount of grant due for a half-year may be paid before the end of the succeeding half-year.

4. *Which authority should control the expenditure from State funds on this account*.—The Government have decided that the District Collector should be the controlling authority in respect of

the expenditure from State funds on the payment of the Village House Tax Matching Grant to the village panchayats under his jurisdiction. He should frame estimates of expenditure for each year and submit necessary particulars to the Development Commissioner on the 1st September of each year for making provision in the State Budget. The Development Commissioner will consolidate the estimates received from the District Collectors and send the consolidated estimates to the Finance Department with copy to the Rural Development and Local Administration Department for making provision in the Annual Estimates of Expenditure of the State Government. As soon as the Budget is passed by the State Legislature, the Development Commissioner will place at the disposal of each Collector the amount required for expenditure in the district.

5. *Which authority should sanction the payment of the grant to each panchayat.*—As there will be over 1,000 village panchayats in each district, the Government have decided that the Revenue Divisional Officers should be the authority sanctioning the payment of the Village House Tax Matching Grant to each panchayat. The Government hereby permit the Revenue Divisional Officers to authorise the payment from the treasury to the village panchayats of the amounts of grants payable to them under section 132 of the Madras Panchayats Act, 1958. The order sanctioning the payment of the grant will be in the form in Annexure I to this order.

6. *On what basis sanction order should be issued.*—Soon after the end of a half-year, the Panchayat Extension Officer (Deputy Panchayat Officer) should submit to the Divisional Panchayat Officer a report in the form in Annexure II to this order in respect of each panchayat separately for each half-yaar. The report should be accompanied by a receipt bill in the Form in Annexure III duly signed by the President of the Village Panchayat concerned. On receipt of the report of the Panchayat Extension Officer, the Divisional Panchayat Officer should check the amounts given by the Panchayat Extension Officer and certify that the amount of grant recommended by the Panchayat Extension Officer is correct.

The Divisional Panchayat Officer should also prepare the draft of the sanction order in the form in Annexure I, obtain the approval of the Revenue Divisional Officer and issue it in the name of the Revenue Divisional Officer. The fair copies of the order shall be signed either by the Revenue Divisional Officer or on his behalf by the Divisional Panchayat Officer.

7. *How the amount should be credited to the Village Panchayat Fund.*—The amount due to each panchayat should be paid by book adjustment to the banking account of the panchayat maintained at the Government treasury.

## Annexure I.

Office of the Revenue Divisional Officer.
Dated

No.
From

The Revenue Divisional Officer,

To

The Sub-Treasury Officer,

Under instruction 2 of the Treasury Rule 17, Madras Treasury Code, Volume I, I hereby authorize you to pay to the President of the panchayat on the authority of (i) this order and (ii) the duly receipted bill attached which has been countersigned by the Panchayat Extension Officer, the sum of Rs. (Rupees ).

2. The amount should be paid by book adjustment to the accounts of the panchayat maintained at your treasury or sub-treasury, and *no cash payment should be made*. If the panchayat does not have accounts with the treasury or sub-treasury, an account may be opened in the name of the panchayat with reference to Government Memorandum No. 7670/52-1, E.L.A., dated 13th March 1952. The formalities regarding the opening of treasury accounts have been waived by Government in their memorandum referred to above. The amount represents the Village House Tax Matching Grant payable to the panchayat under section 132 of the Madras Panchayat Act, 1958, and is debitable to "57. Miscellaneous—f. Grants-in-aid contributions, etc.—S. House Tax Matching Grants for Panchayats.".

3. The fact of the adjustment should be reported to the Collector of and the Accountant-General with a certificate of payment through the Treasury Officer under intimation to this office then and there.

*for Revenue Divisional Officer.*

Copy to the President, Panchayat
Post, Taluk District.

Copy to the Accountant-General, Madras.

Note.—(1) Under instruction 2 of Treasury Rule 17 of Madras Treasury Code. Volume I, the grant should be adjusted on the authority of this authorization and no authorization is necessary from the Accountant-General, Madras.

(2) The grant can be adjusted by Sub-Treasury Officers without any further authorisation from the Treasury Officers concerned.

(3) The receipt bill of Panchayats need not be stamped.

(4) The receipt billof given by the President of the Panchayat to the treasury or sub-treasury for the adjustment of the grant is enclosed.

ANNEXURE II.

From

The Panchayat Extension Officer.

To

The Revenue Divisional Officer,
(Through the Divisional Panchayat Officer).

Sir,

In submitting harewith the Demand, Collection and Balance of House Tax levied in Panchayat for the half-year ending 30th September 19 /31st March 19 , I recommend that an amount equal to the amount shown as collections may be paid to the said Panchayat as Village House Tax Matching Grant due to it under section 132 of the Madras Panchayats Act, 1958. I hereby certify that the said amount of house tax does not include library cess levied under the Madras Public Libraries Act, 1948 or additional house tax levied for water-supply or lighting under rule 19 of Schedule IV to the former Madras Local Boards Act, 1920 or water tax leviable under section 25 of the Madras Public Health Act, 1939.

2. The receipt bill given by the executive authority of the panchayat is enclosed.

*Panchayat Extension Officer.*
*(Deputy Panchayat Officer).*

ANNEXURE III.

*Form of Receipt Bill to be given by Panchayats.*

Audit Register. Voucher Number
Page

Received the sum of Rs. authorised for payment as Village House Tax Matching Grant for the half-year ended 30th September 19 /31st March 19 .

Signature :
Designation :
*President of Panchayat.*

Countersigned.
Signature :
Designation :
*Panchayat Extension Officer.*

,

Pay Rupees

District : Treasury Officer.

Date : Accountant.

(For use in the Office of the Accountant-General, Madras.)
Admitted in full.

*Auditor.* *Superintendent.*

(G.O. Ms. No. 1381, L.A., dated 9th August 1960.)

GO 1420 Co 383

# CONSTITUTION OF "VILLAGE PANCHAYATS CONSOLIDATED FUND".

1. According to the existing orders, every panchayat, class I (Town) and class II (Village), should open and maintain a Banking Account (Personal Deposit Account) with the nearest Government sub-treasury or treasury. The executive authority, i.e., the executive officer in the case notified class I (Town) panchayats and the president in the case of class II (Village) panchayats should operate by cheque on the amount at the credit of the panchayat in the sub-treasury or treasury for meeting bills relating to the panchayat.

2. The procedure for lodging and operating the funds of the panchayats in Government treasuries is laid down in instruction No. 3 in Chapter IV of the Madras Treasury Code, Volume 1. The payments due to the panchayats in respect of land cess, surcharge on stamp duty, grants in lieu of magisterial fines and fishery rentals are governed by instructions 38 and 38 (*a*) under Treasury Rule 16. The preparation of the plus-minus memoranda on account of each Local Fund Account is governed by Articles 110 and 111 of the Madras Account Code, Volume II.

3. The procedure referred to above has now to be reviewed in the light of the provisions of the Madras Panchayats Act, 1958, mentioned below :—

(i) The proviso to section 92 of the Madras District Boards Act, 1920, provides that one-fourth, of the land-cess collected in a panchayat area shall be credited to the panchayat fund. Under this provision the officers of the Land Revenue Department calculate the amount due to the panchayats under the Act and credit the amounts to the accounts of the panchayat concerned with the Government treasury. But section 115 (4) (*c*) of the Madras Panchayat Act, 1958, empowers the Panchayat Union Council to fix the percentage of the proceeds of the local cess which shall be credited to the Village Panchayat Fund. The percentage may vary from year to year subject to the maximum fixed in the Act and the amounts to be credited to the village panchayats has to be calculated by the Panchayat Union Office instead of the Land Revenue Department as at present.

(ii) Section 67 of the Madras Village Panchayats Act, 1950, provides for the levy of surcharge on stamp duty on transfers of property. An account of the stamp duty surcharge levied and collected on behalf of panchayats is maintained by the Registration Department separately for each panchayat. The said account is consolidated quarterly for each panchayat and the consolidated accounts for each quarter are forwarded to the Accountant-General, Madras. The Accountant-General, Madras, issues necessary authorization on treasuries for payment of the amounts to the panchayats concerned. Section 124 of the Madras Panchayats Act,

1958, is exactly similar to section 67 of the Madras Village Panchayats Act, 1950, except in regard to the manner of distribution of the collection to the various panchayats in a Panchayat Union. Under the new Act the amounts collected in the Panchayat Development Block as surcharge on the stamp duty on transfers of property shall be pooled every year and distributed among all the village panchayats in the block in proportion to the land revenue of the village. So under the new Act amounts collected in every Panchayat Development Block should be ascertained first and the distribution has to be calculated by the Panchayat Union Office.

(iii) Section 195 of the Madras Panchayats Act, 1958, empowers the State Government to direct the distribution of the net proceeds of the Entertainments Tax between the Panchayat Union Council and the panchayats functioning in a Panchayat Development Block on such proportion as the State Government may fix. Though the existing procedure for the adjustments of the collections and distribution may have to be continued until such directions are issued, the procedure will have to be changed as soon as such directions are issued and the calculations of the amount payable to each panchayat has to be done at the Panchayat Union Office.

4. It will thus be seen that a considerable proportion of the amounts payable to the various panchayats in a Panchayat Development Block will have to be apportioned and credited to the panchayats by the Panchayat Union authorities.

5. Apart from this, it has been repeatedly represented that under the present arrangement, each sub-treasury has to maintain Personal Deposit Accounts for more than 100 panchayats and this load will increase further when the panchayat coverage is completed. Practical difficulties in posting the pass-book of the Personal Deposit Accounts up-to-date and obtaining the acceptance of the certified balance at the end of the financial year have been expressed. It is also considered desirable that in view of the likelihood of the volume of transactions in each panchayat increasing on account of implementation of the Madras Panchayats Act, 1958, and increase in tempo of development during the successive Plan periods, arrangements should be so devised to enable the Panchayat Presidents to obtain their requirements of cash without much inconvenience and such arrangements should take advantage of the additional facilities that are now being provided for the efficient functioning of the Panchayat Union Offices. In addition, the new arrangement should also provide for a more intensive and helpful guidance at the lower level.

6. The following additional administrative arrangements which have now been made at the Panchayat Union level have also to be taken note of. Each Panchayat Union will have a Panchayat

Extension Officer who will guide and assist the panchayats in their work and in the maintenance of their accounts. Each Panchayat Union Office will have a Manager, a trained Accountant and a Cashier.

7. After carefully considering all the above factors, the Government direct as follows :—

(i) The present system of each Village Panchayat maintaining a separate Personal Deposit Account with the sub-treasury should be abolished with effect from the date of inauguration of the Panchayat Union in which the concerned panchayats lie. A Personal Deposit Account shall be maintained in the sub-treasury of a taluk in which the Panchayat Union is situated on behalf of all the village panchayats included in the Panchayat Union by the Panchayat Union Commissioner. This Personal Deposit Account on behalf of all the village panchayats in the Panchayat Union shall be called "the village Panchayats Consolidated Fund". The Panchayat Union Commissioner shall maintain a cash chest to enable the constituent village panchayats to operate on and obtain their requirements of cash from time to time. The Panchayat Union Commissioner shall maintain separate accounts for each village panchayat in his own office. A memorandum outlining the procedure for the maintenance and operation of the cash chest, the procedure for remitting into and withdrawing moneys from the cash chest by the village panchayats, the forms of accounts to be maintained and rendered, is appended to this order.

(ii) This Village Panchayats Consolidated Fund Account maintained at the Panchayat Union Office will be subject to audit by the Examiner of Local Fund Accounts.

(G.O. No. 1428, L.A., dated 24th August 1960.)

## APPENDIX.

### MEMORANDUM OF INSTRUCTIONS FOR THE MAINTENANCE OF VILLAGE PANCHAYATS CONSOLIDATED FUND.

The Village Panchayats Consolidated Fund will consist of all receipts on behalf of all the panchayats in a **Panchayat Union in** respect of the following items:—

(1) local cess adjusted to the credit of the panchayats under section 115 (4) (c) of the Madras Panchayats Act, 1958;

(2) the duty on transfers of property adjusted to the credit of the panchayats under section 124 (3) (a) of the Act;

(3) the magisterial fines;

(4) the licence fees;

(5) entertainment tax adjusted to the credit of the panchayats ;

(6) The Village House Tax Matching grant adjusted to the credit of the panchayats;

(7) the various development grants adjusted to the credit of the panchayats;

(8) the various taxes collected on behalf of the panchayats by the land revenue staff under section 126 and credited to the account of the panchayats; and

(9) remittances of collections made by the panchayats, etc.

The Village Panchayats Consolidated Fund is maintained on behalf of all the village panchayats in a Panchayat Development Block by the Panchayat Union Commissioner and a personal deposit account in respect of the fund is maintained in the sub-treasury of the taluk in which the Panchayat Union is situated.

2. The operation of the personal deposit account with the sub-treasury will be governed by Treasury Rule 16, Instruction 22 of the Madras Treasury Code.

3. In order to enable the Panchayat Presidents to draw their requirements of cash from time to time and to remit their own collections, a cash chest will be maintained in the office of the Panchayat Union. The cash chest will be operated an a double-lock system and the two keys of the locks should be with the Cashier and the Manager of the Panchayat Union Office. The balance in the cash chest shall at no time exceed Rs. 3,000. If at any time it exceeds Rs. 3,000 such excess shall be remitted immediately into the sub-treasury to the credit of the Village Panchayats Consolidated Fund Account.

4. At present the Presidents of Panchayats have been empowered to open and maintain accounts with post office savings bank to the extent of Rs. 1,000. This facility will be continued subject, however, to the following conditions, namely:—

(i) that only such of those panchayats as are situated five miles beyond the Block Headquarters and a post office savings bank is available at a nearer distance to them will be allowed to have an account with post office savings bank;

(ii) that the amount at the credit of the panchayat in the post office savings bank does not at any time exceed Rs. 500;

(iii) that remittances to the post office savings bank are made only by transfer of funds from the Panchayat Union cash chest and not otherwise, that is to say, no revenues collected shall be credited direct to the post office savings bank. The Panchayat President shall not be entitled to appropriate the receipt towards current expenditure. All collections of panchayat revenues whether by the Presidents of the Panchayats or the Village Officers shall be credited into the Panchayat Union cash chest at suitable intervals and at least once a month. If, however, the collection at any time exceeds Rs. 100, the amount shall be immediately remitted into the Panchayat Union cash chest. The remittances shall be made on a chalan in V.P.C. Form No. 1; and

(iv) the remittances into the cash chest shall be kept separate and remitted periodically into the sub-treasury. The remittances shall on no account be utilized for bisbursements to panchayats. The ceiling of Rs. 3,000 for the cash chest will include the amounts kept in deposit as remittances before their despatch to sub-treasury.

5. Moneys will be withdrawn from the Panchayat Union cash chest by the Presidents of the Panchayats by presenting a pay order form in V.P.C. Form No. 2 presented at the Panchayat Union Office. When payments are to be made to third parties for sums larger than Rs. 30, the pay order shall be drawn in the name of the third party concerned.

6. In the case of remittances, the remittance chalan (V.P.C. Form No. 1) in duplicate along with the cash shall be presented to the Accountant of the Panchayat Union Office. After scrutiny of the chalan, the Accountant shall give the chalan a number which will correspond to the number in the number book (V.P.C. Form No. 3) to be maintained by him and send the chalan to the Cashier who shall (i) receive the cash; (ii) initial chalan in token thereof, (iii) assign the chalan, a number which will correspond to the number in his chitta (V.P.C. Form No. 4) and (iv) stamp the chalan. The chalan thereupon shall be sent to the Panchayat Union Manager who shall sign the chalan in acknowledgment of the receipt of the money, enter the chalan number and the amount received in his number book (V.P.C. Form No. 3) for receipts and return the original of the chalan to the remitter passing on the duplicate to the Accountant at the end of the day after the chalans have been tallied with the chitta and the number books of the Manager and the Accountant at the closing of the accounts for the day. The Accountant shall give credit to the concerned panchayat in his ledger which is to be maintained in V.P.C. Form No. 5.

7. When a pay order is presented at the Panchayat Union Office, it shall first be received by the Accountant who shall verify whether there is sufficient amount to the credit of the panchayat and whether the signature of the Panchayat President agrees with the specimen already available in the Panchayat Union Office. He shall assign the pay order a number corresponding to the number in the number book to be maintained by him in V.P.C. Form No. 6. He shall thereupon write the pass order on the back of the pay order after obtaining the signature of the bearer and getting him identified. The pay order will than be passed on to the Panchayat Union Manager who shall sign the pass order, assign the pay order form a number corresponding to the number in his number book for disbursement (V.P.C. Form No. 6). It shall, thereupon be delivered to the Cashier for payment. The Cashier will pay the sum to the bearer of the pay order after obtaining his acknowledgment on the pay order itself. The Cashier shall enter the payment in the register of payments (V.P.C. Form No. 7) along with the number of the number book and stamp the pay order. A useful method of effecting identification will be to instruct the Panchayat Presidents whenever they themselves do not appear at the Panchayat Union Office for encashment of pay orders to get the bearer's signature attested by themselves on the back of the pay order. The "paid" pay order will be treated as a voucher and at the end of the day after it had been tallied with the number books of the Manager and Accountant and register of payment will be passed on to the Accountant who will debit the concerned Panchayat Accountant.

8. The Cashier shall maintain the following registers:—

(1) The Village Panchayats Consolidated Fund Chitta (V.P.C. Form No. 4).

(2) The register of payments to Village Panchayats (V.P.C. Form No. 7).

The Manager shall maintain—

(1) Village Panchayats Consolidated Fund number book for receipts (V.P.C. Form No. 3).

(2) Village Panchayats Consolidated Fund number book for payments (V.P.C. Form No. 6).

The Accountant shall maintain—

(1) Village Panchayats Consolidated Fund number book for receipts (V.P.C. No. 3).

(2) The Village Panchayats Consolidated Fund ledger (V.P.C. Form No. 5).

(3) Village Panchayats Consolidated Fund number book for payments (V.P.C. Form No. 6).

(4) Abstract of transactions relating to the Village Panchayats Consolidated Fund (V.P.C. Form No. 8).

(5) Village Panchayats Consolidated Fund cash book (V.P.C. Form No. 9).

The forms for the above registers given in the Annexure to this Memorandum by themselves are self-explanatory.

9. *Village Panchayats Consolidated Fund ledger.*—This should be maintained in V.P.C. Form No. 5. Separate folios will be allotted for each village panchayat. The entries in the register will be made from the chalans and paid pay orders by the Accountant. In addition in respect of credit by transfers to the Village Panchayats Consolidated Fund Account, the entries in the register shall be made from the advices received. The total of the Village Panchayats Consolidated Fund ledger should agree with the balance in the personal deposit account in respect of Village Panchayats Consolidated Fund in the sub-treasury and the cash balance in the cash chest.

10. *Abstract of transactions to the Village Panchayats Consolidated Fund.*—This will be maintained in V.P.C. Form No. 8 and will be posted at the end of each month from the ledger. This will show the opening balance, total credits, total debits and closing balance in each month and the sum total of closing balance as per this register should be agreed with the closing balance as per Village Panchayats Consolidated Fund cash book which will be mantained in V.P.C. Form No. 9 and posted daily from the chalans, paid pay orders and other transfer entries. Reference to the ledger folio should also be given to facilitate easy check with the ledger.

11. *Statements and returns.*—The Accountant shall prepare for each Village Panchayat a monthly statement of deposits and withdrawal in V.P.C. Form No. 10 in triplicate from the ledger and submit it to the Commissioner for his signature. The statements shall be sent to the executive authorities of the Village Panchayats on or before 10th of the month following, one copy thereof will be retained in the Village Panchayat Office and the two copies returned to the Panchayat Union on or before 20th of the month following with the certificate

of acceptance of the balance amount. The receipt of the certificates should be watched by the Accountant. One copy of the certificate shall be retained by the Accountant and another copy shall be forwarded to the Panchayat Extension Officer for his use in audit. At the end of each financial year, the Accountant shall prepare a certificate for the balance in respect of the Village Panchayats Consolidate Fund, after due reconciliation of figures in the Village Panchayats Consolidated Fund ledger and treasury pass book and submit it to the Commissioner. The certificate will be appended to the Annual Account.

12. The Accountant shall prepare for each day a daily sheet of transactions relating to the Village Panchayats Consolidated Fund from the chalans and vouchers received during the day in V.P.C. Form No. 11. The statements should be sent to the District Inspector of Local Fund Accounts on the next working day. Even when there is no transaction a 'Nil' statement should be sent. The certificate at the foot of the statement should be signed by the Accountant and Manager. The cashier shall at the end of each day prepare a daily cash balance report in respect of Village Panchayats Consolidated Fund in V.P.C. Form No. 12. The report shall be signed by the Cashier and the Manager and shall be sent to the District Inspector of Local Fund Accounts for each day on the next working day. The balance arrived at should agree with that of the cash book. The cash balance of each day shall be verified by the Manager and the fact recorded in the cash book.

13. The sub-treasury officer shall prepare an abstract of transactions in the Personal Deposit Account in the prescribed form every week and shall send it to the District Inspector of Local Fund Accounts.

## ANNEXURE.

### V.P.C Form No. 1.

VILLAGE PANCHAYATS CONSOLIDATED FUND.

*Chalan for Remittance.*

(To be retained in the Panchayat Office.)

1 No.

2 Date. 19 .

3 Amount, Rupees (In words)

Clerk. Executive Authority.

Signature of the messenger entrusted with the remittances.

*Particulars of money remitted.*

| Currency notes. | Number. | Amount. RS. NP. |
|---|---|---|
| Rs. 100 .. | .. | |
| Rs. 10 .. | .. | |
| Rs. 5 .. | .. | |
| Rs. 2 .. | .. | |
| Re. 1 .. | .. | |
| Total, Notes .. | | |
| **Cash.** | | |
| Whole rupees .. | | |
| Fifty naye Paise | | |
| Twenty-five naye Paise. | | |
| Ten naye Paise .. | | |
| Five naye Paise .. | | |
| Two naye Paise .. | | |
| One naya Paisa .. | | |
| Grand total .. | | |

### V.P.C. Form No. 1.

VILLAGE PANCHAYATS CONSOLIDATED FUND.

*Chalan for Remittance.*

(To be returned to the Panchayat Office after being duly receipted by the Commissioner of the Panchayat Union, and to be pasted to the Counterfoil concerned.)

To

The Commissioner,

............Panchayat Union.

Sir,

Please receive the sum of Rs.

(in words)

and credit the same to the account of this Panchayat.

Clerk. Executive Authority.

Received Rs. (in words)

and credited to the account of the above Panchayat.

Dated 19 .

*Particulars of money remitted.*

| Currency notes. | Number. | Amount. RS. NP. |
|---|---|---|
| Rs. 100 .. | .. | |
| Rs. 10 .. | .. | |
| Rs. 5 .. | .. | |
| Rs. 2 .. | .. | |
| Re. 1 .. | .. | |
| Total, Notes .. | | |
| Cash. | | |
| Whole rupees .. | | |
| Fifty naye Paise .. | | |
| Twenty-five naye Paise. | | |
| Ten naye Paise .. | | |
| Five naye Paise .. | | |
| Two naye Paise .. | | |
| One naye Paise .. | | |
| Grand total .. | | |

### V.P.C. Form No. 1.

VILLAGE PANCHAYATS CONSOLIDATED FUND.

*Chalan for Remittance.*

(To be retained in Panchayat Union Office.)

To

The Commissioner,

.........Panchayat Union.

Sir,

Please receive the sum of Rs.

(in words)

and credit the same to the account of this Panchayat.

Clerk. Executive Authority.

Received Rs. (in words)

and credited to the account of the above Panchayat.

Dated 19 . Cashier.

Commissioner.

*Particulars of money remitted.*

| Currency notes. | Number. | Amount. RS. NP. |
|---|---|---|
| Rs. 100 .. | .. | |
| Rs. 10 .. | .. | |
| Rs. 5 .. | .. | |
| Rs. 2 .. | .. | |
| Re. 1 .. | .. | |
| Total, Notes .. | | |
| Cash. | | |
| Whole rupees .. | | |
| Fifty naye Paise .. | | |
| Twent-five naye Paise. | | |
| Ten naye Paise .. | | |
| Five naye Paise .. | | |
| Two naye Paise .. | | |
| One naye Paisa .. | | |
| Grand totat .. | | |

V.P.C. Form No. 2.

VILLAGE PANCHAYATS CONSOLIDATED FUND.

Book No. P.O. No.
Name of village Panchayat
Dated 19 .
On
The Commissioner,
Panchayat Union.

Pay to
Rupees
on account of (purpose to be specified).
Initials of Executive Authority.

VILLAGE PANCHAYATS CONSOLIDATED FUND.

Book No. P.O. No.

*Pay Order.*

Dated 19 .

To
The Commissioner,
Panchayat Union.

Pay to /bearer
Rupees
and charge the same against the account of this Panchayat.
Rs.
Panchayat Seal.

*N.B.*—The pay Order is current for one month only from the date of issue.

REVERSE.

Specimen signature of bearer/party/messenger.
Attested.
Contents received.
Executive Authority.
Singature of bearer/party/
messenger
receiving payment.

(For the Panchayat Union office use)
Ledger Folio No.
Amount at credit Rs.
Amount required for Payment Rs.
Amount passed for payment Rs.
Balance Rs.
Pay Rs. ( ) Rupees
Accountant.
Commissioner.
Paid in cash.
Cashier.

## V.P.C. Form No. 3.

MANAGER'S / ACCOUNTANT'S — NUMBER BOOK FOR RECEIPTS.

| Date. | Serial number. | Name of village Panchayat from which received. | Name of the messenger. | Amount received in cash. | Initials of Manager / Accountant. | Remarks. |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| | | | | RS. NP | | |

## V.P.C. Form No. 4.

Village Panchayats Consolidated Fund Chitta.

| Date. | Serial number. | Amount received. | Daily total. | Amount remitted in the treasury. | Treasury chalan number and date. | Initials of cashier. | Initials of the Manager. |
|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | | RS. NP. | RS. NP. | RS. NP. | | | |

## V.P.C. Form No. 5.

### VILLAGE PANCHAYATS CONSOLIDATED FUND LEDGER.

Name of the Village Panchayat

| Date. | Number of chalan or pay order. | Name of person by whom deposited or to whom paid. | Amount received. | Amount paid. | Balance after each transaction. | Commissioner's initials. |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| | | | RS. NP. | RS. NP. | RS. NP. | |

If there be a large number of transactions on the same day the balance need not be struck after each transaction ; but the Commissioner, if there be any possibility of an overdrawal, should by totalling the items of receipts and refunds and striking the balance whenever necessary satisfy himself that the balance is not overdrawn. The Commissioner should, however, invariably strike a total at the end of day's transaction over his own signature.

## V.P.C. from No. 6.

MANAGER'S / ACCOUNTANT'S NUMBER BOOK FOR PAYMENTS.

| Date. | Serial number. | Name of Village Panchayats. | Name of messenger or agent to whom payable. | Book/Pay order number. | Amount at credit. | Amount paid. | Initials of Manager. / Accountant. | Remarks. |
|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| | | | | | RS. NP. | RS. NP. | | |

## V.P.C. Form No. 7.

REGISTER OF PAYMENTS FROM VILLAGE PANCHAYATS CONSOLIDATED FUND
(TO BE MAINTAINED BY CASHIER).

| Date. | Serial number. | Number as per number book. | Book No. / P.O. No. | Amount paid. | Daily total. | Initials of Cashier. | Initials of Manager. |
|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | | | | RS. NP. | RS. NP. | | |

## V.P.C. Form No. 8.

ABSTRACT OF TRANSACTIONS RELATING TO THE VILLAGE PANCHAYATS CONSOLIDATED FUND.

| Name of Village Panchayat. | April. | | | | May. | | | |
|---|---|---|---|---|---|---|---|---|
| | Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts | Charges. | Closing balance. |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. |

| June. | | | | July. | | | |
|---|---|---|---|---|---|---|---|
| Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts. | Charges. | Closing balance. |
| (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. | RS. NP. |

| August. | | | | September. | | | |
|---|---|---|---|---|---|---|---|
| Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts. | Charges. | Closing balance. |
| (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) |
| RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. |

| October. | | | | November. | | | |
|---|---|---|---|---|---|---|---|
| Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts. | Charges. | Closing balance. |
| (26) | (27) | (28) | (29) | (30) | (31) | (32) | (33) |
| RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. |

| December. | | | | January. | | | |
|---|---|---|---|---|---|---|---|
| Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts. | Charges. | Closing balance. |
| (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) |
| RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. |

| February. | | | | March. | | | |
|---|---|---|---|---|---|---|---|
| Opening balance. | Receipts. | Charges. | Closing balance. | Opening balance. | Receipts. | Charges. | Closing balance. |
| (42) | (43) | (44) | (45) | (46) | (47) | (48) | (49) |
| RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. | RS. nP. |

**V.P.C. Form No. 9.**

VILLAGE PANCHAYATS CONSOLIDATED FUND.

*CASH BOOK.*

(To be maintained by the Accountant.)

*Receipts.*

| Date of receipt. | Chalan number. | Ledger folio number. | Particulars. | Amount. | |
|---|---|---|---|---|---|
| | | | | Cash. | Bank or treasury. |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | | RS. NP. | RS. NP. |

*Payments.*

*Cr.*

| Date of payment. | Pay order number. | Ledger folio number. | Particulars. | Amount. | | Number of cheque. | Initials of Commi-sioner. | Remarks. |
|---|---|---|---|---|---|---|---|---|
| | | | | Cash. | Bank or treasury. | | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| | | | | RS. NP. | RS. NP. | | | |

**V.P.C. Form No. 10.**

STATEMENT OF DEPOSITS IN AND WITHDRAWALS FROM THE VILLAGE PANCHAYATS CONSOLIDATED FUND FOR THE MONTH OF 19 .

(The statement should be sent to the Executive Authorities of Village Panchayats in triplicate on or before the 10th of the month following. One copy should be retained in the Village Panchayat Office and the other two copies should be returned to the Panchayat Union with the certificate of acceptance of the balance on or before the 20th of the month following.)

Name of Panchayat..............................

| Date. | Number of chalar or pay order. | Name of person by whom deposited or to whom paid. | Amount received. | Amount paid. | Balance. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. NP. | RS. NP. | RS. NP. |

## V.P.C. Form No. 11.

......................Panchayat Union.
......................District.

Daily sheet of transactions relating to the Village Panchayats Consolidated Fund maintained by Panchayat Union ( district) for the day of 196 . (To be sent to the District Inspector of Local Fund Accounts at the end of each day together with the chalans and the paid cheques. Even where there is no transaction, a nil statement should be sent.)

| Ledger folio number. | Name of Village Panchayat from which received or to which paid. | Chalan or pay order number. | Amount received. | Amount paid. |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| | | | RS. NP. | RS. NP. |
| | | | Total. | |

Certified that necessary entries have been made in the cash book and in the Village Panchayats Consolidated Fund Ledger.

Certified that no over payment has been made to any of the Village Panchayats.

(Sd.) ______________, *Accountant.* (Sd.) ______________. *Manager.*

To

The District Inspector of Local Fund Accounts.

**V.P.C. Form No. 12.**

————————Panchayat Union.

....................District.

Daily cash balance report for the Village Consolidated Fund (to be sent to the District Inspector of Local Fund Accounts for each day on the next working day).

1 Report for the transactions held on
2 If the report is not sent on the next date the reason for the interval should be explained as to whether Sunday or holiday, etc.
3 Date for which previous report was sent
4 Cash balance according to the previous report — Rs.
5 Cash received this day as per chitta — Rs.
6 Amount withdrawn on self cheques — Rs.

Total Rs. ————

7 Cash expended this day as per register of payments — Rs.
8 Amount remitted into the Government Treasury/Bank — Rs.

*Balance Rs. ————

* Note.—This amount should not exceed Rs. 3,000.

Compared with the entries in the connected records and registers of this office and found to agree.

Cashier.

Manager.

To

The District Inspector of Local Fund Accounts

Particulars of money under custody.

| *Currency notes.* | *Number.* | *Amount.* RS. NP. |
| --- | --- | --- |
| Rs. 100 .. .. .. | | |
| Rs. 10 .. .. .. | | |
| Rs. 5 .. .. .. | | |
| Rs. 2 .. .. .. | | |
| Re. 1 .. .. .. | | |
| Total Notes .. | | ———— |

*Cash*—

Whole rupees .. ..
Fifty naye Paise ..
Twenty-five naye Paise ..
Ten naye Paise .. ..
Five naye Paise ..
Two naye Paise ..
One naye Paise .. ..

(Rupees nP only.)

Grand Total .. ____________

(Sd.) ____________, (Sd.) ____________,

*Cashier.* *Manager.*

Page 367 to 383 G.O.Ms 1428 RD&LA dated 24.8.60

## LEVY OF LOCAL CESS.

Section 115 (1) of the Madras Panchayats Act, 1958, provides that there shall be levied in every "Panchayat Development Block", a local cess at the rate of 45 naye Paise on every rupee of land revenue payable to the Government in respect of any land for every fasli. Section 115 (4) provides for the distribution of the proceeds of the local cess between the Panchayat Union and the Panchayats in the Panchayat Development Block.

2. Steps have been taken to notify under section 7 (3) of the Act, Panchayat Development Blocks in three batches—the first batch from 13th April 1960, the second from 2nd October 1960 and the third from 13th April 1961. Panchayat Union Councils will be constituted for these Panchayat Development Blocks under section 11 of the Act with effect from 2nd October 1960, 13th April 1961 and 2nd October 1961 respectively. The question has arisen from what date the provisions of section 115 of the Act referred to in paragraph 1 above should be given effect to.

3. The local cess referred to in paragraph 1 above represents the consolidated amount of (*a*) the land cess (12 naye Paise) levied under the Madras District Boards Act, 1920; (*b*) the Education Cess (19 naye Paise) levied under the Madras Elementary Education Act, 1920; and (*c*) the additional surcharge on land revenue (13 naye Paise) levied under the Madras Land Revenue (Additional Surcharge) Act, 1955. The proceeds of the consolidated local cess are to be distributed between the Panchayat Unions and the Panchayats in a manner different from that prescribed for the distribution of the Land Cess, the Education Cess and the Additional Surcharge on Land Revenue between District Boards and Panchayats.

4. Under section 13 (1) of the Madras Panchayats Act, 1958, the other three Acts referred to in paragraph 3 above stand repealed in the Panchayat Development Block only with effect from the dates on which Panchayat Union Councils are constituted under section 11 and not from the dates from which Panchayat Development Blocks are notified. It has, therefore, been considered that, until Panchayat Union Councils are constituted for Panchayat Development Blocks, the cesses leviable under the three Acts referred to above should continue to be levied and that it is desirable to levy the local cess under section 115 of the Madras Panchayats Act, 1958, in the Panchayat Development Blocks from the date of the constitution of Panchayat Union Councils in respect of these Blocks.

5. The first and the third batches of Panchayat Union Councils will come into being in the middle of the years 1960–61 and 1961–62 respectively; while the second batch of Panchayat Union

Councils will come into existence from the beginning of 1961–62. As it is difficult to introduce the levy and distribution of the local cess from the middle of a year, it is considered desirable to bring into force taxation provisions of the new Act (i.e., the Madras Panchayats Act, 1958) from the beginning of an official year. The Government have, therefore, decided that the local cess should be collected on the old basis under the existing Acts during fasli 1370, i.e., for the year 1960-61 and that the provisions of the new Act should be given effect to from fasli 1371, i.e., from 1961–62.

(G.O. No. 1499, L.A., dated 7th September 1960.)

## ENTERTAINMENTS TAX.

With the constitution of Panchayat Union Councils in (Panchayat) Development Blocks, a fund called "Village Panchayat Consolidated Fund" will be created in every Panchayat Union. Attention is, in this connection, invited to orders in G.O. No. 1428, L.A., dated 24th August 1960. All amounts due to village panchayats in the Panchayat Union will be credited to this fund. The amounts relating to this fund are lodged in the respective Government Treasury. For this purpose a banking account will be maintained by the Sub-Treasury in the name of the Panchayat Union Commissioner on behalf of all the Panchayats in the Panchayat Union.

2. The attention of all Commercial Tax Officers is invited to section 195 of the Madras Panchayats Act, 1958. The Commercial Tax Officers are informed that in future copies of the orders sanctioning the payment of amounts of entertainments tax due to the village (minor) panchayats should be communicated to the Panchayat Union Commissioner of the Panchayat Union instead of to the District Panchayat Officer as at present. The Panchayat Union Commissioner will prefer the claim for the amounts so sanctioned and get the amounts adjusted to the credit of the Panchayat Union General Fund in the first instance and transfer the amounts due to the Village Panchayats to the Panchayats Consolidated Fund and arrange to give credit to the individual Village Panchayats in the ledger in the manner prescribed in Government Memorandum No. 160974/L2/60-2, L.A., dated 15th September 1960 by minus credit to the Panchayat Union General Fund. In the case of Town Panchayats, however, the existing banking account with the Government Treasury will be continued and the amounts due to them may, as usual, be paid by book adjustment to the credit of the Town Panchayat. Copies of orders sanctioning the payment of amounts of entertainments tax to the Town (Major) Panchayat should, however, be communicated to the Divisional Panchayat Officers instead of to the Inspector of Municipal Councils and Local Boards.

(G.O. Ms. No. 1662, L.A., dated 7th October 1960.)

# LICENCE—DANGEROUS AND OFFENSIVE TRADES—POSITION UNDER MADRAS VILLAGE PANCHAYATS ACT, 1950, AS COMPARED WITH THAT UNDER THE MADRAS PANCHAYATS ACT, 1958.

1. Section 91 of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950) empowers the Government to make rules specifying the purposes which, in their opinion, are likely to be offensive or dangerous to human life or health or property. No such rule is necessary under section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958). A notification issued by the Government will specify the purposes which are likely to be dangerous and offensive.

2. The said section 91 empowers a Panchayat to notify with the previous approval of the prescribed authority (Regional Inspector of Municipal Councils and Local Boards) that no place within the limits of the village shall be used without a licence for dangerous and offensive purposes. No distinction is made between a Class I (Town) Panchayat and a Class II (Village) Panchayat in the matter of exercising control over, and levying fees on, dangerous and offensive trades. The position under Madras Act XXXV of 1958 is as follows :—

In the case of panchayat village, the panchayat union council is the authority competent to notify that no place within the limits of any *panchayat village* in its jurisdiction or within the limits of such *panchayat village or villages* as may be specified in the notification, shall be used for any of the purposes specified by the Government as dangerous or offensive without a licence. The Panchayat Union Commissioner is the authority competent to grant or refuse the licence.

In the case of town panchayats, the panchayat concerned is the authority competent to issue the notification referred to above and its executive officer is the authority competent to grant or refuse the licence.

3. The income from licence fees though levied by panchayat union councils will be credited to the village panchayats concerned in respect of panchayat villages and that levied by the town panchayats will be credited to the town panchayat fund concerned as at present.

4. In pursuance of the order issued in G.O. Ms. No. 940, L.A., dated the 6th May 1959, under section 126 of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), the functions vested in certain panchayats by sections 91 and 92 of that Act are exercisable by the district boards of the districts concerned subject to certain conditions. From the date specified in the notification constituting a panchayat union council under section 11 (1) of the

Madras Panchayats Act, 1958 (Madras Act XXXV of 1958) the Madras District Boards Act, 1920 (Madras Act XIV of 1920) and the Madras Village Panchayats Act, 1950 (Madras Act X of 1950) will stand repealed in the panchayat development block concerned and such panchayat development block will cease thereafter to be included within the jurisdiction of any district board. Hence, in respect of the panchayat development blocks for which panchayat union councils have been constituted with effect from 2nd October 1960, the district boards concerned will be divested of the functions exercisable by them under sections 91 and 92 of the Madras Village Panchayats Act, 1950, in pursuance of the Government Order referred to above.

5. Under section 249 (1) of the Madras District Municipalities Act, 1920 (Madras Act V of 1920), municipal councils may control such trades in rural areas at a distance within three miles of such municipal limits. Consequent on the amendment made to that section by section 192 (*b*) of the Madras Panchayats Act, 1958, the municipal councils will cease to have the power to exercise control over and levy fees on dangerous and offensive trades in such rural areas from the date on which panchayat union councils are constituted for those areas.

6. From the date of constitution of a panchayat union council, the district board and the municipal council will cease to have the jurisdiction to exercise the powers exercisable by them in any panchayat or rural area within the limits of the panchayat development block concerned and those powers will be exercisable by the panchayat union council and the commissioner in the case of panchayat villages and by the town panchayat and the executive officer in the case of town panchayat in accordance with the provisions of section 111 of the Madras Panchayats Act, 1958.

7. A notification under section 111 (1) of Madras Act XXXV of 1958, specifying the purposes which in the opinion of the Government are likely to be offensive or dangerous to human life or health or property will be issued separately in due course. Pending the issue of such notification and rule, the rules already issued by the Government under section 91 of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950) specifying the purposes which have been considered as dangerous and offensive (*vide* Notification No. XXVI appended to G.O. No. 520, L.A., dated 24th March 1951, and reproduced in paragraph 67 of the panchayat Manual) and the notification, if any, already issued by a panchayat or district board for controlling and licensing dangerous and offensive trades will continue to be in force until the panchayat union councils and the town panchayats issue revised notifications under Madras Act XXXV of 1958, so far as they are consistent with the latter Act.

(G.O. Ms. No. 31, R. D. and L.A., dated 4th January 1961.)

## LICENCE—PANCHAYATS—PURPOSES WHICH ARE LIKELY TO BE OFFENSIVE OR DANGEROUS TO HUMAN LIFE—NOTIFIED.

### NOTIFICATION.

In exercise of the powers conferred by sub-section (1) of section 111 of the Madras Panchayats Act, 1958 (Madras Act XXXV of 1958), the Governor of Madras hereby specifies the following purposes as purposes which, in his opinion, are likely to be offensive or dangerous to human life or health or property:—

*Aerated waters*—Manufacturing.

*Agricultural produce likely to attract rats*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes other than private or domestic use).

*Appalams*—Manufacturing, storing or selling.

*Articles of food made of flour, nuts, sugar or jaggery*—Preparing for human consumption or selling.

*Beedies*—(Beedi leaves)—Manufacturing, storing or selling.

*Beer*—Brewing.

*Bleaching powder*—See entry relating to Liquid Chlorine.

*Blood*—Storing or otherwise dealing with.

*Boarding House*—See the entry relating to lodging house.

*Bones*—Storing or otherwise dealing with.

*Bran*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes other than private or domestic use).

*Bricks*—Burning.

*Camphor*—Boiling.

*Candles*—Manufacturing.

*Roasting*—Cashewnuts and extracting cashewnut kernels therefrom.

*Cattle*—Keeping together twenty or more sheep or goats or ten or more pigs or heads of cattle.

*Charcoal*—Selling or storing. Other than for private use or in a place not situated among inhabited houses.

*Chillies*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes other than private or domestic use).

*Cigars (Cigarettes)*—Manufacturing, storing or selling.

*Cloth*—Printing.

*Clothes (second-hand of every description)*.—Storing, selling or hiring second-hand clothes, blankets, mattresses, pillows or bedding.

*Clothes (soiled)*—Washing soiled clothes and keeping soiled clothes for the purpose of washing them and keeping washed clothes for purposes other than for private use or in a place not situated among inhabited houses.

*Coal*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Coffee house*—See the entry relating to lodging house.

*Copra*—Storing or otherwise dealing with.

*Cotton*—Selling wholesale or retail or storing for wholesale or retail trade or for conversion into yarn.

COLOURING AND DYEING.

*Dead animals*—Skinning and burying.

Dyeing.

*Eating house*—See the entry relating to lodging house.

Electro-plating or guilding.

*Explosive or combustible materials*—Storing or selling other than for storing petroleum and its products in quantities exceeding those to which the operation of this Act, is limited by the provisions of the Petroleum Act, 1934, or the rules or notifications issued thereunder.

*Fat (animal or vegetable)*—Storing or otherwise dealing with.

*Fibre.*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Films*—Storing.

*Firewood*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Fireworks*—Manufacturing.

*Fish*—Storing or otherwise dealing with.

*Fish-oil*—Making, selling and storing.

*Flour*—Preparing flour and articles made of flour for human consumption.

*Flour*—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use).

*Fuel*—Using for any industrial purpose.

*Grain*—Selling wholesale or retail or storing for wholesale or retail trade or for proposes other than private or domestic use).

*Glass*—Industry.

*Gravel*—Digging metal or gravel.

*Grass*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Groundnut*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes other than private or domestic use).

*Gunny bags*—Storing or otherwise dealing with.

*Gun-powder*—Manufacturing.

*Hair*—Washing or drying.

*Hay*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Hides*—Tanning, storing or otherwise dealing with.

*Horns*—Storing or otherwise dealing with.

*Hotel*—See the entry relating to lodging house.

*Ice*—Manufacturing, storing and selling.

*Ice articles manufactured out of ice or in the manufacture of which ice forms the main ingredient*—Storage or sale.

*Iron safes*—Manufacturing.

*Jaggery*—Manufacturing (otherwise than as cottage industry by tappers or persons in enjoyment of the trees carried on in their own sites or places with no machinery run by any power (electrical or mechanical) for the purpose.

*Jaggery*—Selling wholesale or retail or storing, for wholesale or retail trade (or for purposes other than private or domestic use).

*Leather*—Storing or otherwise dealing with.

*Lime*—Burning or manufacture of chunam.

*Liquid chlorine and bleeching powder*—Storing or otherwise dealing with.

*Lodging house*—Not registered under the Madras Public Health Act, 1939 (Madras Act X of 1939), keeping a hotel, a boarding house, a choultry, dharmasala or rest-house not maintained by the Government or a local authority, an unlicensed emigration depot, or any place where casual visitors are received and provided with sleeping accommodation with or without food on payment but does not include—

(*a*) a students hostel under public or recognized control, or

(*b*) a house licensed under section 125 of the Madras Public Health Act for accommodating visitors to a fair or festival, or

(*c*) retiring rooms and rest-houses provided by a railway administration and normally used by passengers or railway servants or both.

*Machinery*—(Other than such machinery as may by notification be exempted by the State Government from time to time) using for any industrial purpose.

*Manure (artificial)*—Manufacturing.

*Manure*—Storing or otherwise dealing with.

*Mattresses*—See the entry relating to clothes (second-hand).

*Metals*—Beating or melting.

*Metal vessels*—Manufacturing.

*Mineral oil.*—Storing and selling (wholesale or retail) other than for storing in quantities exceeding to those to which the operation of this Act is limited by the provisions of the Petroleum Act, 1954, or the rules or notifications issued thereunder.

*Offal*—Storing or otherwise dealing with.

*Oil*—Boiling or pressing.

*Oil-cakes*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes other than private or domestic use).

*Paddy*—Boiling for purposes other than for private use, or in a place not situated among inhabited houses.

*Pottery*—Burning.

*Public halting place*—See entry relating to lodging house.

*Pulses*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes oher than private or domestic use).

*Rags*—Storing or otherwise dealing with.

*Restaurant*—See the entry relating to lodging house.

*Ruby*—Grinding.

*Sago*—Manufacturing or distilling.

*Shaving or hair dressing saloon*—Keeping of.

*Skins*—Tanning, storing or otherwise dealing with.

*Slate*—Manufacturing.

*Snuff*—Manufacturing.

*Soap*—Making.

*Spirits*—Manufacturing arrack or other spirits containing alcohol (whether denatured or not) by distillation.

*Straw*—Selling; or storing other than for private use or in a place not situated among inhabited houses.

*Sugar*—Manufacturing or refining.

*Sugar-candy*—Manufacturing [otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own sites or places with no machinery run by any power (electrical or machanical) for the purpose].

*Sulphur*—Melting.

*Sweet meats*—Preparing.

*Syrup*—Manufacturing [otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own sites or places with no machinery run by any power (electrical or mechanical) for the purpose].

*Syrup*—Selling as cool drinks or mixed with water.

*Tallow*—Melting.

*Tamarind*—Selling wholesale or retail or storing for wholesale or retail trade (or for purposes oher than private or domestic use).

*Thatching materials including bamboos.*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Tiles*—Burning.

*Timber*—Selling or storing other than for private use or in a place not situated among inhabited houses.

*Tobacco*—Storing, curing, drying or otherwise dealing with.

*Trunks (iron)*—Manufacturing.

*Vulcanizing works*—Keeping.

*Welding*—By gas or electricity.

*Wool*—Washing or drying.

Manufacturing anything from which offensive or unwholesome smells arise.

(G.O. Ms. No. 113, R.D. and L.A., dated 12th January 1961.)

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## PANCHAYATS—LEVY OF HOUSE-TAX.

It has been suggested that it would be convenient and easy for the village people, if the house tax is levied by panchayats once a year and collected from the rate-payers along with land revenue instead of its present half-yearly levy, as the villagers generally derive their income once a year from the main harvest.

2. The Government have carefully examined the suggestion. Both under the Madras Village Panchayats Act, 1950 and the Madras Panchayats Act, 1958 the house-tax shall be levied every half-year, but there is no legal objection to the collection of tax during the kist months from December to April next, as in the case of land revenue in respect of both the half-years. The only requirement is that the bill for the half-yearly tax should be served on the assessee either in the half-year concerned or in the succeeding half-year, if coercive action is to be taken by way of distraint, etc. *vide* rule 23 (3) of the rules regarding the assessment and collection of taxes issued under the Madras Village Panchayats Act, 1950. In cases of failure to serve the bill in the half-year concerned or in the succeeding half-year, a civil suit can be filed for the recovery of the amount *vide* rule 23 (4) of the said rules.

3. In view of the provisions explained in paragraph 2 above, the Collector of Coimbatore is informed that the collection of house-tax by panchayats may be made in two instalments either in two half-years or in one half-year in one lump-sum according to the local conditions and convenience.

**(Memorandum No. 190984/L1/60-1, R.D. and L.A., dated 15th February 1961.)**

## PANCHAYATS—VILLAGE PANCHAYATS CONSOLIDATED FUND—LICENCE FEES, ETC., COLLECTED THROUGH COURTS—REMITTANCE INTO THE SUB-TREASURY—INSTRUCTIONS.

The Panchayat Union Commissioner, Alanganallur, has brought to the notice of the Government an instance where the SubMagistrate. Nilakottai, directly remitted the amount of licence fees due to the Kondayampatti panchayat in the sub-treasury. The amount was credited to the Local Fund Deposit Account No. II by the sub-treasury officer. The chalans were communicated to the Panchayat Union Commissioner. On receipt of the chalans, the amount was credited by the Commissioner to the panchayat under intimation to it. He requests instructions regarding the procedure to be followed in the case of direct remittances into the sub-treasury.

2. The attention of the Panchayat Union Commissioner, Alanganallur, is invited to the instructions issued in Memo. No. 160974/L2/60-2, dated 15th September 1960, according to which the only items of credit of Local Fund Deposit Account No. II would be the

remittances made by the Panchayat Union Commissioner into the treasury in cash (including self-cheques drawn on Account No. 1 in respect of amount transferable from Account No. I to Account No. II). The Government consider that it is not desirable to effect any direct credit to the Local Fund Deposit Account No. II at the treasury level. The procedure prescribed in G.O. Ms. No. 52, Rural Development and Local Administration, dated 6th January 1961, for crediting the interest realized on investments made by the village panchayats may be followed in such cases.

(Memo. No. 220373 L-2/60-3, L.A., dated 15th February 1961.)

PANCHAYAT UNIONS—LEVY OF LOCAL CESS SURCHARGE UNDER SECTION 116 OF THE MADRAS PANCHAYATS ACT, 1958—INSTRUCTIONS.

Under section 116 of the Madras Panchayats Act, 1958, every Panchyat Union Council may levy on every person liable to pay land revenue to the Government in respect of any land in the Panchayat Union, a local cess surcharge at such rate as may be considered suitable as an addition to the local cess levied in the Panchayat Development Block under section 115 of the said Act provided that the rate of local cess surcharge so levied shall be subject to such maximum as may be prescribed.

2. Certain Panchayat Union Commissioners have enquired whether the local cess surcharge may be levied from the year 1961–62 onwards, and if so whether any maximum rate has been prescribed by the Government.

3. The Government have carefully examined the questions and pass the following orders :—

(i) *Date from which local cess surcharge may be levied.*—It has already been ordered in G.O. No. 1499 L.A., dated 7th September 1960 that local cess under section 115 of the Madras Panchayats Act, 1958 should be collected on the old basis under the existing Acts during fasli 1370, i.e., for the year 1960–61 and that the provisions of the new Act should be given effect to from fasli 1371, i.e., from 1961–62. As local cess surcharge cannot be levied until the levy of local cess (in the new consolidated form) is enforced in Panchayat Unions, the Government direct that the levy of local cess surcharge should commence from fasli 1371.

(ii) *Maximum rate of levy of Local Cess Surcharge.*—The Government consider that no maximum need be prescribed for the present and that the question may be taken up some time later. Pending the fixation of the maximum rate by the Government, the Local Cess Surcharge may be levied by Panchayat Union Councils upto 25 naye Paise in the rupee of Land Revenue from fasli 1371.

(G.O. Ms. No. 444 R.D. and L.A., dated 18th February 1961).

TAX—MADRAS VILLAGE PANCHAYATS ACT, 1950—DUTY ON TRANSFERS OF PROPERTY IN PANCHAYATS—RATE—REFIXED.

The Government have decided to increase the rate of duty leviable on transfers of property under section 67 (1) (b) of the Madras Village Panchayats Act, 1950 with reference to G.O. Ms. No. 1012 L.A., dated 23rd May 1952 from 4 per cent to 5 per cent. The appended notification will be published in the *Fort St. George Gazette*.

2. The Inspector of Municipal Councils and Local Boards, Madras is requested to make contents of this order known to all *St. George Gazette*.

APPENDIX.

NOTIFICATION.

In exercise of the powers conferred by clause (*b*) sub-section (1) of section 67 of the Madras Village Panchayats Act, 1950, (Madras act X of 1950) and in supersession of the late Local Administration Department Notification No. 422, dated the 23rd May, 1952, published at page 292 of Part I-A of the *Fort St. George Gazette* dated the 28th May, 1952, the Governor of Madras hereby directs that the rate of the duty on transfers of property in respect of instruments of sale, exchange, gift, mortgage with posssession and lease in perpetuity of immovable property shall with effect on and from the 1st April 1961 be five per centum on the amount on which such duty is leviable under the clause aforesaid.

(G.O. Ms. No. 720, R.D and L.A., dated 11th March 1961.)

PANCHAYAT UNION COUNCILS—LEVY OF LOCAL CESS SURCHARGE UNDER SECTION 116 OF THE MADRAS PANCHAYATS ACT, 1958—CLARIFICATION ISSUED.

In paragraph 3 (ii) of G.O. cited, it was ordered that, pending the fixation of the maximum rate of levy of local cess surcharge under section 116 of the Madras Panchayats Act, 1958 the local cess surcharge may be levied by panchayat union councils up to 25 nP. in the rupee of land revenue from fasli 1371. It has been suggested that as several panchayat unions have passed resolutions levying surcharge exceeding 25 nP., the limit of 25 nP. would have an adverse effect on the enthusiasm of panchayat unions in raising local resources and that it would also lead to difficulties in balancing their budgets. The Collectors are informed that, as already stated the intention of the Government is not to prescribe the maximum rate of local cess surcharge to be levied by panchayat union councils for the present but to encourage panchayat union councils to exploit the powers of local taxation vested in them to the maximum extent possible and thus augment their revenues. The limit of 25 nP.

specified in the G.O. represents only the average for the State. The Madras Panchayats Act, 1958 vests the driscretion to levy local cess surcharge in panchayat unions subject to the maximum rate prescribed by the Government. If no maximum rate is specified by the Government, panchayat unions will be free to levy the surcharge at any rate they consider necessary or desirable. There is therefore, no objection to the panchayat union councils levying the local cess surcharge at a rate higher than 25 nP. in the rupee of land revenue, but if the Collector considers that levy at a higher rate will cause undue financial hardship to the people, he may advise the panchayat union council to reduce the rate.

The Collectors are requested to make known the contents of the orders to all panchayat union councils.

**(G.O. Ms. No. 868, R.D. and L..A, dated 23rd March 1961.)**

## PANCHAYAT UNION COUNCIL—SIRKALI PANCHAYAT UNION—LOCAL REVENUE (ORDINARY)—LEVY OF LOCAL CESS SURCHARGE—INSTRUCTIONS.

The Panchayat Union Commissioner, Sirkali, in his letter No. 6056/60, dated 5th November 1960 has raised the following questions :—

(i) whether the levy of 15 per cent real contribution prescribed in G.O. Ms. No. 171, Public, dated 19th January 1957 should be still insisted on; and

(ii) whether the Panchayat Union Council, Sirkali, may be asked to consider and take steps to levy the local cess surcharge without exceeding the limit of 25 nP. in the rupee of land revenue and utilize the amount for paying the 15 per cent public contribution.

2. The Panchayat Union Commissioner, Sirkali, is informed as follows :—

*Item* (i) *in paragraph* 1 *above.*—The collection of contribution should be regulated in accordance with the instructions issued in G.O. Ms. No. 664 RD., dated 16th August 1960. The levy of increased taxation and the collection of voluntary contributions in specified proportions are set down as conditions attached to the payment of various Government Grants. There is, therefore, no longer any need to insist on the payment of a separate 15 per cent minimum real contribution from the public as ordered in G.O. Ms. No. 171 Public, dated 19th January 1957 as amended.

*Item* (ii) *in paragraph* 2 *above.*—Instructions have already been issued in G.O. Ms. No. 868 R.D. and L.A., dated 23rd March 1961 regarding the levy of local cess surcharge under section 116 of the Madras Panchayats Act, 1958. There is no objection to the Panchayat Union levying the local cess surcharge at a rate higher than 25 nP. in the rupee of land revenue.

3. The Panchayat Union should not divert funds necessary for performing its statutory functions, towards contribution for development works. If the funds realised by exising taxation are not sufficient to meet contribution for Development Works, the Union should obtain funds only by fresh taxation.

(Memorandum No. 196882/P1/61-1, R.D. and L.A., dated 20th April 1961.)

## PANCHAYAT DEVELOPMENT—COLLECTION OF REVENUES DUE TO THE PANCHAYATS BY THE VILLAGE OFFICERS—PROGRESS OF COLLECTION—CHECK BY TAHSILDARS WHILST HOLDING 'DEMAND CENTRES'—INSTRUCTION.

In G.O. Ms. No. 644, R.D., dated 9th August 1960, instructions have been issued entrusting collection of revenues due to Panchayats and Panchayat Unions to the village officers. It has been pointed out in the G.O. Ms. No. 411, R.D. & L.A., dated 16th February 1961 (*vide* paragraph 10) that the Tahsildars should exercise supervision and control over the collection of all panchayat revenues by the village headmen in the same manner as in the case of land revenues due to State Government.

2. In the case of land revenue collection, the practice now exists of holding Demand Centres in selected places in each firka during the collection season. Village officers are summoned to these centres and the Revenue Inspectors, Tahsildars and, wherever necessary, the Revenue Divisional Officers critically review the progress of collection work and take appropriate action for speeding up the collection work. It has been suggested that when such Demand Centres are held, in future, particular attention should be paid by the revenue officers towards accelerating collection of revenues due to Panchayats and Panchayat Unions. The Board of Revenue (Land Revenue) has supported the proposal.

3. The Government direct that the Collectors should ensure that the subordinate officers conduct such Demand Centres as often as necssary for facilitating prompt collection of the revenues due to Panchayats and Panchayat Unions just as in the case of revenues due to State Government.

(G.O. Ms. No. 1944, R.D., and L.A., dated 13th July 1961.)

# BUDGET.

## BUDGET ESTIMATES--BLOCKS.

Consequent on the revision of the Community Development Programme, the Government have directed that the Overall Plans and Budget estimates of Stage I and Stage II Blocks should be approved by the Collectors in consultation with the Block Development Committees.

The Plans and Estimates of the blocks and proposals for diversion of funds, as the case may be, should be prepared by the Block Development Officers.

In preparing the Overall Plans and Budget Estimates, the following points should be taken note of :—

(i) the provision of Rs. 12 lakhs per block in Stage I is inclusive of the expenditure incurred already under the old schematic pattern and will have to be utilized before the block completes its period of operations of five years from the date of its inauguration as National Extension Service Block;

(ii) all reverted National Extension Service Blocks should be treated as State II Blocks with effect from 1st April 1959 and be allotted Rs. 1 lakh per year for the rest of the Second Plan.

(iii) the Overall Plan and Budget Estimates for each Stage II Block should be prepared for each year. The allotment of Rs. 1 lakh per year need not necessarily be split up *pro rata* among the various schematic heads but provision may be made for funds under each schematic heads according to local conditions and requirements within the Overall ceiling. There should however be proportionate expenditure under Agriculture and Irrigation.

(iv) A programme for Agricultural Extension Work for increasing productivity from land should be embodied in the block plan.

[G.O. No. 823, Public (R.D.P.), dated 13th March 1959.]

## COMMUNITY DEVELOPMENT PROGRAMME—PLANNING AND EXECUTION OF SCHEMES THROUGH PANCHAYATS AND OTHER VILLAGE INSTITUTIONS.

The schematic budget for a Stage I Block should be regarded as forming three categories—

| | RS. IN LAKHS. |
|---|---|
| 1 Block personnel, Transport Office, Housing equipments and Primary Health Centre. | 4·55 |
| 2 Agriculture, Irrigation, Rural Arts and Crafts .. .. .. | 4·55 |

| | RS. IN LAKHS. |
|---|---|
| 3 Items of expenditure which could be treated as "Local works"— | |
| (i) Non-Recurring— | |
| Drinking water supply .. .. .. .. .. | 0·50 |
| Drainage and Sanitation .. .. .. .. .. | 0·25 |
| Education .. .. .. .. .. .. .. | 0·45 |
| Social Education .. .. .. .. .. .. | 0·30 |
| Communication .. .. .. .. .. .. | 0·85 |
| (ii) Recurring— | |
| Education and Social Education .. .. .. .. | 0·55 |
| Total .. | 2·90 |

Similarly, the schematic budget for a Stage II Block should also be regarded as forming three distinguishable categories—

| | RS. IN LAKHS. |
|---|---|
| 1 Block personnel, Transport, Rural housing .. .. .. | 1·15 |
| 2 Agriculture, Irrigation, Rural Arts, and Crafts .. .. .. | 1·85 |
| 3 Items of expenditure which could be treated as "Local works"— | |
| (i) Non-Recurring— | |
| Health and Rural Sanitation .. .. .. .. | 05·0 |
| Education .. .. .. .. .. .. .. | 0·50 |
| Social Education .. .. .. .. .. .. | 0·15 |
| Communication .. .. .. .. .. .. | 0·50 |
| (ii) Recurring— | |
| Social Education .. .. .. .. .. .. | 0·35 |
| Total .. | 2·00 |

Expenditure on schemes falling under category II in Stage I and II Blocks should, to the extent possible, be incurred through the Agency of village co-operatives. Accordingly all loans and subsidies, available under the heads mentioned in category II and available to private individuals, should be made available to co-operatives also, preference being given to the co-operatives.

The expenditure on local works detailed under category III should invariably be incurred through the agency of Panchayats and other local departmental agency.

A work which benefits more than one panchayat may be entrusted, pending constitution of Panchayat Union, tc *ad hoc* local committees consisting of representatives of all the Panchayats which stand to benefit from the work or to statutory joint committees constituted under section 39 of the Madras Panchayats

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Act, 1950. In the former case, the entrustment of all work to an *ad hoc* committee of panchayats should be supported by a resolution of each of the panchayats participating in the scheme.

[G.O. No. 1150, Public R.D.P., dated 13th April 1959.]

## FORMULATION OF PANCHAYAT DEVELOPMENT SCHEMATIC BUDGET.

It is the settled policy of the Government that the village people should be enabled to participate in the process by which successive Five-Year Plans of the State are framed and implemented. In pursuance of this policy, Government arranged to set up *ad hoc* Committees for the preparation of "Village Plans" and "Area Plans", as part of the provision of formulation of the Second Five-Year Plan during the year 1955.

2. Though these Committees functioned for a time and formulated proposals which were taken into consideration before the Second Five-Year Plan was finalized, and though this process did serve a useful purpose in familiarizing the village people with the concept of Five-Year Planning, the principal objective of Government was not fully realized; for the plans prepared by these Committees did not become operational.

(i) The reason, mainly, was that the plans then prepared for every village and every area assumed the availability of funds to be provided by the State Government to an extent which though not in excess of the actual requirements in each case) added up for the State, as a whole, to an amount which was far in excess of the financial resources available to the Government.

(ii) Even if this major defect in planning procedure had been avoided or rectified, it would still have proved difficult to render the "Village Plans" and "Area Plans" operational, because there was no durable organization representative of the village people to which responsibility for executing the plans could have been entrusted.

3. The latter deficiency is now in process of being removed. The new Panchayats Act has made provision for the delimitation of Panchayat Development Blocks, the setting up of a Panchayat Union as the principal local administrative authority of every Block and the entrustment to such Panchayat Unions of the National Extension Service Scheme of Community Development. In pursuance of these processes, it is planned to divide the entire territory of the State (exclusive of Municipal Towns) into 374 Panchayat Development Blocks and constitute 374 Panchayat Unions in three successive batches the last of which is planned to be in position by 2nd October 1961. The services of Block Development Officers, Extension Officers, Gramasevaks and other trained

personnel grouped together as the National Extension Service establishment in each Block will be placed at the disposal of the Panchayat Union Council of that Block, free of charge to the Panchayat Union. In this manner, conditions are being created whereby Block-level planning can be undertaken for the Third Plan period, by the governing bodies of Panchayat Unions, as representatives of the village people charged with responsibility not only for the formulation of a Five-Year Budget with planned development programmes but also the administration of the Budget and day-to-day implementation of the programmes throughout the Five-Year Period.

4. The new Panchayats Act has set out in detail the resources of local taxation and finance which are placed at the disposal of Panchayat Unions and Panchayats. It provides also for a number of Government grants being paid annually to Panchayat Unions and Panchayats on a statutorily obligatory basis; and two of these grants are required to match the amount of new financial resources to be raised by Panchayat Unions and Panchayats. The extent to which these provisions can be utilized was surveyed by a Local Finance Sub-Committee appointed by the All-Party Committee of the Legislature on Local Administration. The Sub-Committee has formulated a 'Perspective Budget of Panchayat Administration' setting a target of 6 rupees per head of population as the realizable annual revenue of Panchayat Unions and Panchayats. The financial provisions of the new Panchayats Act together with the guidance given by the Sub-Committee have created conditions in which it is possible to provide a firm financial basis for Block-level-planning and thus remove the first of the two defects referred to in paragraph 2 above.

5. The 'Perspective Budget' framed by the Local Finance Sub-Committee was designed to provide the normal revenue needed for maintenance of Rural Welfare Services and Works at a higher level than hitherto; and it was exclusive of special provision required for Capital Outlay on Rural Welfare Works, it was also exclusive of financial resources required for development of production (agriculture, animal husbandry and village industries). In so far as responsibility for such development is entrusted to Panchayat Unions or Panchayats, it will be necassary to make available to them additional funds which—but for such entrustment—would be utilized directly by the State Government as part of the Five-Year Plan of the State. Provision of a firm financial basis necessary for Block-level-planning would be incomplete unless every Panchayat Union (or the Panchayat as the case may be) is enabled to know the amount of funds it can expect to get from the State Government as non-statutory Government grants during the Third Plan Period, and the conditions (especially in regard to the raising of matching local resources) which should be fulfilled in order to earn such grants.

6. The formulation of the Third Five-Year Plan of the State (as part of the National Five-Year Plan) has now reached a stage at which it becomes possible to ascertain the order of magnitude of the funds which would be available in the Third Five-Year Plan of the State; in part in the Schematic Budget of the National Extension Service Scheme of Community Development and in part in certain other related departmental development schemes included in the Third Five-Year Plan of the State. It is now possible to frame an estimate of the aggregate of all financial resources which become available as local funds to be administered by Panchayat Unions and Panchayats, thereby providing firm basis for the settlement of a Block Plan Budget for every Panchayat Development Block separately for the five years of the Third Plan period (viz., 1961–62 to 1965–66).

7. The conception of preparing Block Plan Budgets for the Third Plan period within the framework of an overall estimate of resources available for all Panchayat Development Blocks of the State as a whole was discussed by the Development Commissioner (at four Seminars recently held in Madras) with Collectors as well as elected representatives of the village people of 75 first batch Blocks in which Panchayat Unions are planned to be constituted on 2nd October 1960. The idea was well received, and was seen to be the key to successful implementation of the new Panchayats Act. The Development Commissioner subsequently discussed the details of financial provision with the departments concerned; and in agreement with them, he has submitted an estimate of Rs. 142 crores as the aggregate of financial resources anticipated to become available during the Third Plan period. The break-up of this total under different categories of local funds which will be maintained in all Panchayat Development Blocks of the State is as below :—

| | Total amount. (RS. IN CRORES.) |
|---|---|
| Panchayat Union (Education) Funds ... ... | 65 |
| Panchayat Union (General) Funds ... ... | 23 |
| Panchayat Union (Production) Funds ... ... | 12 |
| Total Panchayat Union Funds ... | 100 |
| Village Panchayat Funds ... ... ... | 37 |
| Town Panchayat Funds ... ... ... | 5 |
| Grant total—All Funds in Panchayat Development Blocks. | 142 |

NOTE.—The estimate of rupees 142 crores includes not only the resources available for development, that is, for new works and new services but also the resources necessary for continued maintenance of existing works and services at the level reached at the end of the Second Plan Period.

8. As there will be 374 Panchayat Development Blocks in the State, the foregoing estimate implies the availability of approximately Rs. 38 lakhs, on an average, in each Block. This amount

is exclusive of the cost of National Extension Service establishments. This cost will continue to be borne by the State Government, even after service of the staff are placed at the disposal of the Panchayat Unions free of charge to Panchayat Union Funds. Similarly, the estimate at Rs. 142 crores is also exclusive of all expenditure on loans, which are proposed to be dealt with separately.

9. A statement specifying 20 separate items of resources has been furnished with separate estimates adding up the total amount of Rs. 137 crores for all Panchayat Union Funds and Village Panchayat Funds (excluding Rs. 5 crores, the estimates for Town Panchayat Funds). The statement is annexed to this order (Annexure I). An explanatory note has also been furnished setting out in respect of each of these 20 items of resources, how the total for the State has been arrived at; in what manner the share of that total for each Panchayat Development Block can be fixed separately; and in respect of every item of Government grant the purposes of utilisation of such grant as well as the conditions (if any) of its linkage with the raising of matching local resources. The proposals of the Development Commissioner embodied in the Explanatory Note constitute not only an estimate of financial resources available for Block-level planning, but also an integrated pattern of financial assistance to be made available by the Government to Panchayats and Panchayat Unions. As such, it has been referred to as the Panchayat Development Schematic Budget of the State.

Government have examined this Panchayat Development Schematic Budget. They observe it has been framed generally on the basis of integration of (i) the "perspective Budget" of Panchayat Administration recommended by the Local Finance Sub-Committee of the All-party Committee of the Legislature on Local Administration, (ii) the Schematic Budget of the National Extension Service Scheme of Community Development as settled by the Government of India and (iii) certain other closely related departmental schemes of rural development.

10. There is, however, one important proposal embodied in the Panchayat Development Schematic Budget which requires specific approval of Government. According to the financial scheme recommended by the Local Finance Sub-Committee (for which statutory provision is made in the new Panchayats Act) the expenditure on education incurred every year by Panchayat Unions has to be divided into three slabs and financed as shown below :—

*First Slab.*—This is defined as equal to one rupee per head of Block population. It has to be met entirely by a statutory Government Grant described as "Land Revenue Assignment".

*Second Slab.*—This will consist of so much of the actual expenditure as may be in excess of the First Slab subject however to a statutory ceiling of 2 rupees and 50 naye Paise per head of Block population. This has to be divided into two parts of which one part should be met by a Statutory Government Grant described as "Local Education Grant". The remaining part of the Second Slab has to be met by a Local Cess allocation as well as by transfer from the General Fund of the Panchayat Union. (The Local share of the Second Slab is to be 50 per cent in Class A Blocks, 40 per cent in Class B Blocks, 30 per cent in Class C Blocks and 20 per cent in Class D Blocks).

*Third Slab.*—This will consist of such expenditure, if any, as may be incurred in excess of the First Slab, as well as the statutory ceiling of the Second Slab. The Act makes no provision for meeting such expenditure; it is open to the Government to decide whether they should share such expenditure at all and if so what their share should be.

11. When the Local Finance Sub-Committee framed this scheme it was anticipated that the Third Slab would be reached in a very few Blocks only to begin with; and might become a general problem only towards the end of the Third Plan period, as a result of extending enrolment to all primary school-age children. Since then, however, the remuneration of teachers has been increased twice, and a comprehensive revision is now being undertaken in pursuance of the recommendations of the Pay Commission.

The cost of elementary education has, therefore, risen substantially. Unless special provision is made for off-setting such increased cost, it will not be possible to implement the financial scheme. To this end the Development Commissioner has proposed—

(i) that in order to meet the increased expenditure on the payment of higher salaries to teachers consequent on the increase in their remuneration, a Supplementary Education Grant should be paid to each Panchayat Union. The amount of Supplementary Education Grant payable to each Panchayat Union shall be an amount equal to twenty per cent of the salaries actually paid during the year to all elementary school teachers in the Panchayat Union (including Secondary Grade, Higher Elementary Grade and Lower Elementary Grade teachers) under the new scales of pay;

(ii) the expenditure on school-meals and social education should be financed outside the Second Slab, of which the statutory ceiling should apply only to the remuneration of teachers and Elementary School Contingencies.

Government accept these proposals of the Development Commissioner.

12. Government direct that it should be a condition of entrustment (under section 66 of the new Panchayats Act) of the execution of the National Extension Service Scheme of Community Development to the Panchayat Union constituted for any Panchayat Development Block, that the Panchayat Union should in association with all the Panchayats of the Block, prepare a Five-Year Budget, which may be referred to as the Block Plan Budget for the Third Plan period (viz., 1961–62 to 1965–66). This budget should furnish estimates of financial resources to be made available to all the funds maintained by the panchayat union and the panchayats, with details for all the items specified in the Panchayat Development Schematic Budget. The budget should be framed in accordance with the procedure prescribed. The budget should be discussed and adopted by the panchayat union and the panchayats concerned in respect of the parts relating to them. The District Collector should scrutinise the Block Plan Budget with reference to its conformity to the Panchayat Development Schematic Budget of the State and accord his approval in token of his verification of such conformity. The Development Commissioner is requested to issue instructions in respect of the details of procedure to be followed. These instructions should make it clear that the purpose of the Block Plan Budget will be as in the case of the Plan Budget of the State Government (at State level) to serve as a guide to planning at block level. It will be the financial framework within which individual development schemes may be framed and implemented during the Third Plan period. It will furnish the basis for the settlement of annual budgets required by law. In particular, it should be clearly understood that the settlement of a Block Plan Budget for any Block in conformity with the Panchayat Development Scheme Budget of the State will not, in itself, operate as financial sanction for payment of any Government grant. The issue of such sanction must continue to be based on provision made therefor in the Annual Budget of the State Government and the vote of the State Legislature.

**(G.O. No. 664, R.D. and L.A., dated 16th August 1960.)**

# ANNEXURE I.

## Panchayat Development Schematic Budget.

### Financial Statement.

| Heads—Main Heads and Sub-heads of income. | Village Panchayat Funds. | Panchayat Union Funds. General. | Panchayat Union Funds. Education. | Panchayat Union Funds. Production. | Panchayat Union Funds. Total of columns (3) to (5). | Panchayat Union Funds. Total of Village Panchayat Funds and Panchayat Union Fund. |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| | | (RUPEES IN LAKHS.) | | | | |
| I. LOCAL REVENUES (ORDINARY)— | | | | | | |
| 1 Local Cess .. .. | 250 | 375 | 500 | .. | 875 | 1,125 |
| 2 Local Cess Surcharge .. | 500 | 500 | .. | .. | 500 | 500 |
| 3 Stamp Duty Surcharge. | 500 | .. | .. | .. | .. | 500 |
| 4 Village House Tax .. | 400 | .. | .. | .. | .. | 400 |
| 5 Minor Local Revenue .. | 160 | 240 | .. | .. | 240 | 400 |
| Total I .. | 1,310 | 1,115 | 500 | .. | 1,615 | 2,925 |
| II. GOVERNMENT GRANTS (STATUTORY)— | | | | | | |
| 6 Land Revenue Assignment (Statutory). | .. | .. | 1,500 | .. | 1,500 | 1,500 |
| 7 Local Education Grant | .. | .. | 1,800 | .. | 1,800 | 1,800 |
| 8 Local Cess Surcharge (Matching Grant.) | .. | 500 | .. | .. | 500 | 500 |
| 9 Local Roads Grant .. | .. | 600 | .. | .. | 600 | 600 |
| 10 Village House Tax (Matching Grant.) | 400 | .. | .. | .. | .. | 400 |
| Total II .. | 400 | 1,100 | 3,300 | .. | 4,400 | 4,800 |
| III. GOVERNMENT GRANTS (NON-STATUTORY)— | | | | | | |
| 11 Supplementary Education Grant (Non-Statutory.) | .. | .. | 1,200 | .. | 1,200 | 1,200 |
| 12 School Meals Grant .. | .. | .. | 600 | .. | 600 | 600 |
| 13 Social Education Grant | .. | .. | 150 | .. | 150 | 150 |
| 14 Women and Children's Welfare Grant. | .. | 100 | .. | .. | 100 | 100 |
| 15 Village Works Grant .. | 1,500 | .. | 200 | .. | 200 | 1,700 |
| 16 Local Irrigation Grant | .. | .. | .. | 200 | 200 | 200 |
| 17 Agricultural Grant .. | .. | .. | .. | 750 | 750 | 750 |
| Total III .. | 1,500 | 100 | 2,150 | 950 | 3,200 | 4,700 |
| IV. LOCAL REVENUES (SPECIAL)— | | | | | | |
| 18 Local Irrigation Fees. 19 Village Development Rates. 20 Voluntary Development Contribution. | 500 | .. | 600 | 200 | 800 | 1,300 |
| Grand Total I to IV .. | 3,710 | 2,315 | 6,550 | 1,150 | 10.015 | 13,725 |

| | (RUPEES IN CRORES.) |
|---|---|
| Panchayat Unions .. .. .. .. | 100 |
| Panchayats .. .. .. .. .. | 37 |
| Town Panchayats .. .. .. .. | 5 |
| Total .. | 142 |

## ANNEXURE II.

## Panchayat Development Schematic Budget—Explanatory Note.

### PART I—LOCAL REVENUE—ORDINARY.

### 1. *Local Cess.*

Section 115 of the Madras Panchayats Act, 1958, provides for the levy of local cess at a uniform rate of 45 nP. in the rupee of land revenue in the State and for the distribution of the proceeds of this levy between panchayats and panchayat unions. Out of the proceeds of the local cess collected, four-ninths is to be credited to the Panchayat Union Education Fund. Out of the balance, a proportion is to be credited to the Village Panchayat Fund which will ensure that the Panchayats will get 20 nP. per capita. The balance is to be credited to the Panchayat Union General Fund.

2. Based on the land revenue of Rs. 5 crores per annum, the total local cess for five years would be Rs. 1,125 lakhs. Of this Rs. 500 lakhs will go to the Panchayat Union Education Fund, Rs. 250 lakhs to the Panchayats and Rs. 375 lakhs to the Panchayat Union General Fund.

### 2. *Local Cess Surcharge.*

3. Section 116 of the Madras Panchayats Act, 1958, provides that every panchayat union council may levy a local cess surcharge at such rate as may be considered suitable as an addition to the local cess levied under Section 115 subject to such maximum as may be prescribed.

4. The surcharge so levied is intially credited to the Panchayat Union General Fund. But part of the receipts from local cess surcharge (and the corresponding matching grant referred to in item 8 below) will have to be transferred to the Panchayat Union Education Fund.

5. It is expected that the panchayat union councils will avail of this provision and levy a surcharge of up to 25 nP. in the rupee of land revenue. For a period of five years, receipt from this may be estimated at Rs. 625 lakhs. But as this level will be reached only progressively, the Schematic Budget here mentioned provides for Rs. 500 lakhs only.

### 3. *Stamp Duty Surcharge.*

6. The relevant provision is found in Section 124 of the Act.

7. The entire proceeds of this item are to be credited to the Village Panchayat Fund.

8. The actual receipts from this source during 1957–58 was Rs. 114 lakhs and during 1958–59, Rs. 113 lakhs. This was based on a stamp duty surcharge of four per cent. The Act lays down a maximum of five per cent. If the rate is raised to five per cent, the income will increase. But this may be partly offset by a reduction in the number

of cases of transfers of property due to land legislation. In any case income from this source can be safely fixed as Rs. 100 lakhs per annum or Rs. 500 lakhs in the five years.

### 4. *Village House Tax.*

9. The relevant provision is in section 120 of the Act. Under Section 119 (i) the levy of house tax is compulsory.

10. This source of income is exclusively allotted to the village panchayats.

11. The income of village panchayats from house tax was Rs. 19 lakhs during 1957–58 and Rs. 22 lakhs in 1958–59. Panchayats are to be constituted for every village. House tax has to be levied compulsorily in all the villages. The exemption given to huts has been removed. A strong incentive has been provided in the form of a matching grant. The collection work will be undertaken by village officers. In view of these many important factors, income from this source is expected to go up to Rs. 80 lakhs per annum or Rs. 400 lakhs for the Five-Year period.

### 5. *Minor Local Revenues.*

12. The main sources under this item and the actual receipts during 1957–58 and 1958–59 are—

| *Sources.* | *Receipts* 1957–58. | 1958–59. |
|---|---|---|
| (1) | (2) | (3) |
| | (IN LAKHS OF RUPEES.) | |
| (i) Market Fees .. .. .. .. .. | 28·06 | 30·17 |
| (ii) Entertainment Tax .. .. .. .. | 9·38 | 14·16 |
| (iii) Licence Fees .. .. .. .. .. | 9·03 | 8·90 |
| (iv) Profession Tax .. .. .. .. .. | 3·92 | 2·82 |
| (v) Vehicle Tax .. .. .. .. .. | 7·60 | 8·87 |
| (vi) Fishery Rentals .. .. .. .. | 0·65 | 0·93 |
| | 58·64 | 65·85 |

13. Item (i) is from a remunerative enterprise. Panchayats may further develop the markets. Item (ii) Entertainments tax is a growing source of income. Item (iii) Licence Fees will increase when panchayat unions enforce the licensing provisions. Item (iv) Profession tax is also likely to increase somewhat when panchayats levy this tax, which is compulsory under Section 119 (i). The position in respect of item (v) Vehicle tax is also similar. The total income from all these sources may be put at Rs. 80 lakhs per annum or Rs. 400 lakhs for the five years divided among the Panchayats and Panchayat Unions in the ratio of 2 : 3.

## Part II—Government Grants (Statutory).

### 6. *Land Revenue Assignment (Statutory).*

14. Section 118 of the Act lays down that Government shall pay to each panchayat union council a sum representing one rupee for each individual of the population of the Panchayat Development Block from out of the land revenue collected in the State during that year.

15. This statutory assignment of one rupee per capita provides the first slab of educational expenditure. The income from this source will be credited to the Panchayat Union Education Fund.

16. Based on the figure of a rural population of three crores in 1961, the total income from this source for five years will be Rs. 1.500 lakhs.

### 7. *Local Education Grant.*

17. Section 128 of the Act provides that after setting off the first slab of expenditure against the land revenue assignment mentioned in item 6 above Government shall pay annally to every Panchayat Union Council a Local Education Grant. The act provides that the ceiling of the second slab of educational expenditure should be 250 naye Paise per capita. Government shall pay a Local Education Grant which will be between 50 and 80 per cent of this second slab as Local Education Grant, depending on the classification of the block.

18. At the time when the Act was passed, it was anticipated that the level of expenditure on elementary education would reach the targetted level of 350 naye Paise per capita only by the end of the Third Plan and that this figure of 350 naye Paise per capita would also provide the funds necessary for further expansion of elementary education. It has now become clear that the level of expenditure will exceed 350 naye Paise per capita very much earlier. This has been brought about mainly as a result of successive increases in the salaries of teachers, the latest being based on the recommendations of the Pay Commission. It has therefore, become necessary to provide for expenditure on school Meals and Social Education outside the second slab. In addition, a non-statutory Supplementary Education Grant will have to be paid to each Panchayat Union to enable the Panchayat Union to meet the increased commitment on the payment of higher salaries to teachers. This is provided for under item 11 below. This SupplementaryEducation Grant will be treated as an extension of the first slab. The balance of expenditure up to a ceiling of 250 naye Paise per capita will continue to be treated as second slab for which a Local Education Grant of between 50 and 80 per cent will be paid. This will work out to an average of sixty per cent or 150 naye Paise per capita. This level of expenditure will be reached only progressively. Based on this assumption, income from this source has been indicated as 1,800 lakhs.

$$(1{\cdot}50 \times 3 \text{ crores} \times 5 \text{ years} \times 4/5)$$

### 8. *Local Cess Surcharge Matching Grant.*

19. The relevant provision is found in section 129 of the Act corresponding to the Local Cess Surcharge levied by the Panchayat Union under section 116, Government will pay the Panchayat Union

a matching grant. This item will be directly credited to the Panchayat Union General Fund. As in the case of Local Cess surcharge itself, part of this amount will subsequently have to be transferred to the Panchayat Union Education Fund. As the Local Cess surcharge has been estimated at Rs. 500 lakhs for five years, this item has also been estimated at Rs. 500 lakhs.

### 9. *Local Roads Grant.*

20. Section 131 of the Act provides for the payment of a sum calculated at the rate of 40 naye Paise per capita to the Panchayat Union Council to enable it to maintain Panchayat Union roads. This provision which is to be credited to the Panchayat Union General Fund is intended to be used only for the efficient maintenance of Panchayat Union roads and no portion of this would be available for new works and improvements.

### 10. *Village House Tax Matching Grant.*

21. Section 132 of the Act is the relevant provision. This is a matching grant corresponding to the house tax raised by the Panchayats under section 120. The whole of this amount is to be credited to the Panchayat Fund and being equal to the anticipated realization from house-tax itself is estimated as Rs. 400 lakhs for the five years.

22. The above ten items cover the items included in the statute.

## PART III—GOVERNMENT GRANTS (NON-STATUTORY).

### 11. *Supplementary Education Grant—Non-Statutory.*

23. Attention is invited to the explanation given under item 7 Local Education Grant. The Government are committed to making available to the Panchayat Unions the resources required for the payment to teachers of higher salaries based on the recommendations of the Pay Commission. It has been calculated that the increases so given will represent an amount equal to twenty per cent of the new salaries (including Dearness Allowance) in the case of all elementary school teachers (Secondary Grade, Higher Elementary Grade and Lower Elementary Grade). In order to offset the increased expenditure, every Panchayat Union will receive an amount equal to twenty per cent of the salaries actually paid during the year to all elementary school teachers in the Panchayat Union (including Secondary Grade, Higher Elementary Grade and Lower Elementary Grade teachers) under the new scales of pay, as a non-stautory, Supplementary Education Grant.

The total amount for the five years has been broadly indicated as 1,200 lakhs.

### 12. *School Meals Grant.*

24. As mentioned above, it has now become clear that expenditure on School Meals cannot be found from within the first or second slabs of educational expenditure. The annual committed expenditure on all children, for school meals, at the end of the Second Plan will

be Rs. 123 lakhs. The anticipated increase during the whole of the Third Plan on this item on all children will be approximately 255 lakhs. A deduction has to be made from these figures on account of children in Municipal towns. Taking these into consideration a provision of Rs. 600 lakhs has been made for the five years.

13. *Social Education Grant.*

25. The schematic budget of the Community Development Programme provides for expenditure on Social Education. Originally it was anticipated that expenditure on Social Education Grant could be incorporated within the target level of 350 naye Paise, on elementary education stipulated in the Act. Now that this has become impossible, a separate Social Education Grant will be made to the Panchayat Unions. Based on the provision available in the schematic budget of the block, a sum of Rs. 150 lakhs has been provided for the Third Five-Year Plan period. The amount will be credited to the Panchayat Union Education Fund. Each Panchayat Union will receive an amount equal to 50 naye Paise per capita.

14. *Women and Children's Welfare Grant.*

26. The schematic budget of the National Extension Service provides for a separate provision of Rs. 40,000 and Rs. 20,000 respectively in the two stages for the Programme for Women and Children. Based on this provision, a sum of Rs. 100 lakhs has been provided under this head for the five-year period. The total available provision will be divided equally among all the Panchayat Unions. The amount will be credited to the Panchayat Union General Fund.

15. *Village Works Grant.*

27. At present rural works are undertaken from provisions available in the following main schemes:—

(1) The Block Schematic Budget in block areas;

(2) The Local Development Works in non-block areas;

(3) The Rural Water-supply Comprehensive Scheme;

(4) The National Water-supply and Sanitation Scheme;

(5) The Second Five-Year Plan Road Works Scheme; and

(6) Limited amounts of money available with the Education Department for aid in the construction of private schools.

28. Under existing arrangements, the same type of work is administered under a variety of schemes. This would include for example rural water-supply. We have the Block Schematic Budget, the Local Development Scheme, the Rural Water-supply Comprehensive Scheme and the National Water-supply and Sanitation Scheme. It is now proposed to consolidate the provisions under all these schemes (except one) into a single provision for all blocks. In certain cases the percentage of local contribution expected from the public varies from scheme to scheme, though the type of work undertaken is the same. It is now proposed to remove such differences also. The only exception to the consolidation of schemes thus effected will be the

National Water-supply and Sanitation Scheme. In view of the conditions attached by the Government of India in respect of the localization of the benefits of this scheme it will be kept separate and administered as a State scheme.

29. Under the consolidated scheme, there will be a Village Works Grant for every Panchayat Union limited to the provision of school buildings, a separate Village Works Grant to each Panchayat for the provision of drinking water-supply and link roads.

30. A basic target for the provision of drinking water-supply will be fixed (on the basis of one well for so many people). Similarly basic targets for the provision of link roads will be defined.

31. The amount of money spent on these two items from various schemes during the Second Plan was Rs. 10 crores. Keeping in view the need to step up expenditure in order to achieve the satisfaction of these basic needs, the provision during the Third Plan will be fixed at Rs. 15 crores.

32. It is necessary to define a principle of Blockwise allocation of this total provision of 15 crores. To this end it is proposed to lay down the rule " Every Block should receive an equal amount for the ten-year period covered by the Second Plan and the Third Plan ". The total provision being Rs. 10 crores for the Second Plan and Rs. 15 crores for the Third Plan and Rs. 25 crores in all; the share of each of the 374 Blocks should be Rs. 6·67 lakhs. During the Third Plan, therefore, each Block will have a provision for these two purposes, calculated on the basis of Rs. 6·67 lakhs less the amounts spent during the Second Plan in that Block for these two purposes under various schemes.

33. The rate of contribution for water-supply works will be 25 per cent. The balance of 75 per cent will be met from this grant. As regards Harijans and Backward Classes, no contribution will be expected.

34. As regards link roads, the contribution expected of the people will be 50, 40, 30 and 20 per cent respectively for the A, B, C, D class of Blocks. Earthern roads will also be permitted to be undertaken under this consolidated scheme. The land on which the roads are to be formed should continue to be made available free of cost to the Government and the lands will not be counted as part of the contribution.

35. Provision for construction of bridges and for the upgrading and improvement of Panchayat Union roads will be made separately in the State Highways Budget.

36. The amount of Rs. 1,500 lakhs will be credited to Village Panchayat Fund.

37. School buildings are being constructed from the Block Schematic Budget and the Local Development Works Programme on the basis of a 50 per cent contribution from the public. In order to undertake a large scale programme of construction of school buildings, a provision of Rs. 200 lakhs has been made for the five-year period. This provision will be credited to the Panchayat Union Education Fund.

38. The distribution of these 200 lakhs to the Blocks will be on the basis of the targets for new enrolment of pupils in that Block. The target for new enrolment in rural areas of the State is approximately 13·5 lakhs. For purposes of Blockwise distribution of this provision the following rule will, therefore, be observed. The allotment for each Block would be Rs. 15 for every child to be newly enrolled during the Third Plan period, with reference to the Blockwise break-up of the State target of new enrolment.

39. Fifty per cent contribution will be insisted upon.

16. *Local Irrigation Grant.*

40. Under section 85 of the Act, Government may transfer to the Panchayat or the Panchayat Union Council the responsibility for the maintenance of minor irrigation works. Orders of Government entrusting this responsibility to the Panchayat Unions have already been issued. Under these orders, Government have to make available to the Panchayat Union, the funds necessary for carrying out the maintenance of minor irrigation sources so entrusted. The provision required for this purpose will be Rs. 30 lakhs per year or Rs. 150 lakhs for the five years. This amount will be calculated on the basis of the tank ayacut in the Block as laid down in the Government Order and will be credited to the Panchayat Union Production Fund.

41. In addition, the Panchayat has been authorized under the Act to take upon itself the ryots' responsibility to do Kudimaramath work and to levy a fee from the beneficiaries. No Government grant is necessary for this purpose. But there exists the fact that due to long neglect of the obligations under Kudimaramath, some of the Kudimaramath works have reached a level of deterioration at which even if the ryots now carry out the customary repairs, the works cannot be restored to a proper condition. If the works are to be restored, heavy expenditure will have to be incurred. It is, therefore, proposed that up to a limit of Re. 1 per acre of ayacut per year, expenditure on Kudimaramath works should be treated as normal Kudimaramath. Any expenditure in excess of this will be treated as "Excess Kudimaramath" and Government will pay two-thirds of the expenditure on Excess Kudimaramath. In order to meet the expenditure on Excess Kudimaramath, a provision of Rs. 50 lakhs has been made for the five-year period.

42. The total figure for minor irrigation maintenance and Excess Kudimaramath has been shown as Rs. 200 lakhs, being credited to the Panchayat Union Production Fund.

17. *Agriculture Grant.*

43. Various schemes for the promotion of better farming are now administered, partly from the Block Schematic Budget and partly from the departmental funds of the Agricultural Department. These services include the supply of improved seed, the promotion of schemes for the development of local manurial resources including green manure, green-leaf manure and compost plant protection and distribution of implements at subsidized cost. Provision for certain items of

work relating to Animal Husbandry, the building of veterinary dispensaries, etc., the distribution of pedigree bulls and rams at subsidized rates and the development of poultry is also included under the same head in the Block Schematic Budget. Grouping together the provisions available in the Block Schematic Budget and the Departmental Plans of the Agriculture and Animal Husbandry Departments, the total anticipated provision for this five-year period is Rs. 750 lakhs for the State.

44. This will be allocated equally among all Blocks at the rate of Rs. 2 lakhs per Block for five years.

45. Out of the total allotment of Rs. 2 lakhs, a sum of Rs. 1 lakh will be reserved for distribution as a specific percentage grant among Panchayats of the Block for being used on the following purposes:—

(i) Raising of panchayat plantations for the production of fuel, fodder and green-leaf manure.

(ii) Promotion of composting.

(iii) Promotion of green manuring.

(iv) Distribution of pesticides at subsidized rates.

(v) Any other purposes which may be specified from time to time. On all these items, the grant will cover two-thirds of the expenditure incurred by the Panchayat subject to an overall ceiling of Rs. 1 lakh per Block.

46. The balance of Rs. 1 lakh per Block for the five-year period will be made available as grants to Panchayat Unions to be used on the following purposes:—

(i) Maintenance of a Gramasabayak Service (according to the general scheme formulated for this purpose).

(ii) The supply of plan protection equipment to Co-operatives and Panchayats and the creation of a reserve of plant protection equipment at Block headquarters.

(iii) Any other purposes which may be specified from time to time.

47. The total provision of Rs. 750 lakhs will be credited to the Panchayat Union Production Fund.

## Part IV—Local Revenues (Special).

### 18. *Local Irrigation Fees.*

48. Under section 85 (2) of the Act, any Panchayat may undertake to execute on behalf of the ryots Kudimaramath Works which it is the obligation of ryots to carry out. The Act also provides that the Panchayat may levy such fee and on such basis for the purposes thereof as may be prescribed. It is expected that the Panchayats will undertake this function and levy a suitable fees. This item is called " The Local Irrigation Fees ".

### 19. *Village Development Rates.*

49. Section 119 (3) lays down that the Panchayat may levy a tax on agricultural land for a specific purpose. It is anticipated that the Panchayat will utilize this provision in order to collect the share of contribution which it has to provide for various items of work set out in the preceding paragraphs. This item is referred to as Village Development Rates.

### 20. *Voluntary Development Contribution.*

50. In addition to these two, the Panchayats and Panchayat Unions will have to raise funds in the form of voluntary contributions to meet their share of contribution for various items of expenditure, which are shareable.

51. Against the Village Works Grant for water-supply and roads of Rs. 1,500 lakhs, a contribution of Rs. 500 lakhs has to be raised in all. Against the Village Works Grant of Rs. 200 lakhs for school buildings, a local contribution of Rs. 200 lakhs will have to be raised. Similarly Rs. 400 lakhs will have to be raised towards the School Meals Programme. Also, against the shareable portion of the Agricultural Grant, Rs. 200 lakhs will have to be raised locally. These special local revenues have all been grouped together under the three items in Nos. 18 to 20 and provide an aggregate sum of Rs. 1,300 lakhs for the five-year period.

## PANCHAYAT UNION COUNCILS—PART-YEAR BUDGET FOR THE PERIOD FROM 2ND OCTOBER 1960 TO 31ST MARCH 1961.

1. The scope of these instructions is strictly limited to the framing of the part-year budget of the Panchayat Union for the peirod from 2nd October 1960 to 31st March 1961 only. There are practical difficulties in bringing into force in the middle of the financial year some of the sections relating to Finance and Taxation in the Panchayats Act, 1958 and also certain anomalies will occur by their being brought into force by stages in the State. Therefore, it has been decided to resort to the powers vested in the Government under section 198 of the Madras Panchayats Act, 1958, for the removal of difficulties and introduce a uniform procedure from the next financial year in all the Unions. Hence this separate memorandum on the part-year budget for the first batch of Unions only.

2. In G.O. No. 664, Local Administration and Rural Development, dated 16th August 1960, orders were passed on the formulation of Panchayat Development Schematic Budget. That will come into operation only in the Third Plan period (i.e., 1st April 1961) and therefore has no bearing on the framing of the part-year budget for 1960-61 for the first batch of Panchayat Unions. Under section 66 of the Madras Panchayats Act, 1958,

the Community Development functions will be entrusted to the Panchayat Unions from a date to be notified by the Government. It is not likely that this entrustment will take place in respect of the first batch of Panchayat Unions before 1st April 1961. Therefore, the revised estimates regarding the Community Development Schemes for the current financial year 1960-61 have to be framed separately in the usual way and will not affect the framing of this part-year budget. This budget is to restrict itself only to the items of receipts and expenditure which devolve on the Panchayat Unions as successor bodies to the District Boards.

3. It is presumed that action has been initiated on Government Memorandum No. 120582/T6/60-1, dated 2nd August 1960 and the staff (both teachers and others) have been ear-marked and the Establishment Audit registers have been written up. This is the first step in the framing of the estimates. It is also presumed that a list of institutions which are to be taken over by the Panchayat Unions has also been got ready and the classification of roads as Panchayat Union roads have been got approved by the District Development Council and the Block Advisory Committees. In this connection, a distinction has to be drawn between a dispensary which will be taken over by a Panchayat Union and a hospital which is to be the responsibility of the Medical Department. There may be borderline cases where there are a few emergency beds attached to a dispensary and whose maintenance is likely to be beyond the means of the Panchayat Union and also institutions which can be developed into Primary Health Centres. The Special Officers should examine each case carefully and bring such borderline cases to the notice of the Government. But where a doubt is felt pending the orders of the Government, the institutions should continue to be administered by the District Board even though it may lie within the Panchayat Union. Under section 13 (iv) of the Madras Panchayats Act, 1958, the markets which lie within the jurisdiction of the first batch of the Panchayat Unions and which are under the control of the District Boards on 2nd October 1960 shall vest in the Panchayat Union Council concerned.

## RECEIPTS—ORDINARY.

In preparing the estimates for the part-year 1960–61, the following points will have to be borne in mind :—

*A. General Account—(a) General taxation.*—It has been decided not to bring into force the provisions of section 115 of the Act during the current financial year. The Government shall exercise the powers vested in it under section 198 to remove difficulties in the initial constitution of the Panchayat Unions and bring into force uniformly all over the State the provisions of section 115 in the financial year 1961–62. The local cess to be collected may be calculated in accordance with the provisions of the Madras District

Boards Act, 1920 and the Madras Land Revenue (Additional Surcharge) Act, 1955 and the rules issued thereunder. The share of the District Board out of the land cess of the 2 annas levied under the Madras District Boards Act should be taken as $1\frac{1}{2}$ annas in the rupee of the land revenue Credit should be taken for 5/12th of the land cess at the rate of $1\frac{1}{2}$ annas collectable in the Panchayat Union area in 1960–61. In addition credit should be taken for the Panchayat Union share of the proceeds of the additional surcharge on land revenue sanctioned by the Government to the District Board for the current year. The amounts sanctioned by the Government to District Board under the additional surcharge on land revenue are based on both the population of the district and the mileage of the roads in the district. The share of the Panchayat Union, out of the amount sanctioned on the basis of population should be worked out with reference to the population of the Block and the ratio it bears to the population of the district. Similarly the share of the Panchayat Union, out of the amount sanctioned on the mileage should be worked out with reference to the mileage of District roads (as classified till now) to be maintained by the Panchayat Union and the ratio it bears to the total mileage of roads maintained by the District Board in the district. Credit should be taken for one half of the amount so worked out.

(b) *Local cess surcharge.*—It is probably unlikely that the Panchayat Union Council will immediately on inauguration impose a local cess surcharge. However, the item should be noted in order to bring the statutory provision to the notice of the Council from the outset.

(c) *Entertainments tax.*—According to the existing provisions of Entertainments Tax Act, 1939, the District Board is entitled to 90 per cent of the collections of entertainments tax made in non-Panchayat areas; while the amount collected in Panchayat areas should be credited to the Panchayat Funds. Under section 13 of the Entertainments Tax Act, 1939, as amended by section 195 of the Madras Panchayats Act, 1958, the Government have power to distribute 90 per cent of the proceeds of the entertainment tax collected in a Panchayat Union area between the Panchayat Union Council and the Panchayats functioning in that area. The question of fixing the proportions in which the distribution should be made between the Panchayat Union Council and the Panchayats is under the consideration of Government and orders thereon will issue in due course. Pending the issue of orders, no credit should be taken in the budget under entertainments tax collections except for the arrears, if any, in respect of non-panchayat areas which were under the jurisdiction of the District Board and which would come under the jurisdiction of the Panchayat Union Council.

(d) *Miscellaneous Revenue.*—Full data on this should be locally available.

(e) *Local Cess Surcharge Matching Grant.*—Orders will issue separately regarding the credit to be taken in cases where local cess surcharge is levied.

(f) *Communications.*—In the part-year Budget, credit should be taken under this Head for an amount equivalent of 20 naye Paise per capita of the Block.

For all other items details will be available locally.

*Capital receipts.*—If there are capital receipts already earmarked by the District Board for a specific scheme which falls within the area of the Panchayat Union and the scheme is one coming within the purview of the Panchayat Union then the credit may be taken for the amount. Credit should not be taken on the basis of an arithmetical division of the Capital Receipt for the District Board as a whole during the current year.

EXPENDITURE.

(g) *Management.*—In respect of the management the expenditure on staff is to be calculated with reference to G.O. No. 1225, L.A., dated 20th July 1960. The expenditure on the Head Clerk, 2 Lower Division Clerks, attenders, if any, who are attached to the Elementary Education section and one peon should be debited to the Education Fund and the expenditure on the balance of the Panchayat Union staff only should be debited to the General Fund.

(h) *Contingencies.*—In the current year the contingent expenditure in respect of the Panchayat Union functions need not be estimated and shown. The expenditure should continue to be met during the current year out of the Block Schematic Budget.

(i) *Travelling Allowance.*—The Travelling Allowance of the Chairman, the Vice-Chairman and members of the Panchayat Union Council only should be debited to this Budget. Whenever a meeting of the Block Advisory Committee is held the expenditure on the Travelling Allowance should continue to be debited to the Block Budget as before.

(j) *Repairs to buildings.*—The estimate of expenditure on repairs to buildings should be obtained from the District Board and Panchayats in respect of the buildings which will now be taken over by the Panchayat Union and included.

The expenditure on communications should be so balanced that it should not exceed the roads grant that will be available during the current year.

(k) *Health and Welfare—Medical Relief.*—Only expenditure on rural dispensaries and other dispensaries which have no beds nave to be exhibited under this item.

(*l*) *Health Protection.*—Under this the pay and allowances of the Health Assistant will have to be included.

(*m*) *Births and deaths.*—Under Maternity and Child Welfare should be shown the expenditure on Maternity Assistants transferred to the service of the Panchayat Union.

(*n*) *Remunerative Enterprises.*—Necessary details will be available locally under this head.

(*o*) *Expenditure—Capital Account.*—As has already been pointed out, only schemes of capital nature which have already been included in the District Board Budget for which credit has already been taken on the receipts side should be exhibited.

(*p*) *Education Account.*—In the current year, all the provisions of the Act are not being brought into force. By resorting to the powers vested in the Government under the (removal of difficulties section) section 198 of the Act, it is proposed to continue the present procedure of disbursing grants-in-aid to private schools till the new financial year. Therefore, no credit need be taken on the receipts side under the Land Revenue Assignment and no provision for expenditure on account of disbursement of grants-in-aid to private schools within the Panchayat Union area need be made for the part-year 1960–61.

(*q*) *Receipts—Ordinary.*—It is proposed not to bring into force the provisions of section 115 of the Act during the current financial year as has already been explained in paragraph 5-A (*a*) above. Therefore credit need be taken only for five-twelfths of the education cess collectable in the Panchayat Union area under the Madras Elementary Education Act, 1920, for the current year. The receipt under the local education grants should be calculated on net cost basis, i.e., the expenditure less the receipts under the education cess.

(*r*) *Receipts—Capital.*—Under this head only capital receipts in respect of schemes which have already been included in the District Board Budget which are being transferred to the Panchayat Union need be included.

(*s*) *Expenditure—Ordinary.*—Salaries and allowances of the teaching staff for five months only from November 1960 to March 1961 will have to be exhibited under this head. Instructions are being issued separately to disburse salaries up to 1st October 1960, on that date itself and debit the expenditure to the District Board/Panchayat Budget. In addition, the expenditure on two Lower Division Clerks, one Head Clerk, one peon and attenders, if any, attached to Elementary Education section should also be exhibited under the relevant minor head in this account. All other minor heads are self-explanatory. On capital expenditure again provision need be made only for such of those specific schemes which have already been included in the District Board Budget for which credit has already been taken on the receipt side.

(*t*) *School-Meals Account.*—Government grants for School-Meals Schemes will not be passed through the Panchayat Union accounts in this part-year-period. The Education Department will continue to deal directly with school-meal committees.

4. The deposit transactions do not enter the Budget and therefore need not be estimated.

5. Orders will be issued separately, prescribing under sub-sections (2) and (5) of section 140 of the Act, the Collector as the Officer to whom the Revenue Divisional Officer or the District Education Officer as the Officer through whom the Budget of the Panchayat Union (General) Fund and the Panchayat Union (Education) Fund respectively should be submitted. The Collector should satisfy himself that adequate provision has been made for the performance of the services entrusted to the Panchayat Union and return the Budget to the Panchayat Union Commissioner. He has power to return the Budget with instructions for modification in such manner as he considers necessary to secure such provision.

6. On return of the budget by the Collector with his remarks, if any, the budget should be placed before the Panchayat Union Council for sanction under section 140 (3) of the Act.

7. The Panchayat Union Council should sanction the budget with such modifications as it thinks fit.

**(Memo. No. 154077/L1, 60–1, L.A., dated 4th September 1960.)**

## PANCHAYAT UNION COUNCILS—PREPARATION OF PART I OF THE FIRST ANNUAL BUDGET FOR THE YEAR 1961–62.

**1.** Budgetting for 1961-62 differs in certain important respects from the budgetting for the part-year—October 1960—March 1961 in a number of respects and hence this memorandum of instructions.

### RECEIPT—ORDINARY—A. GENERAL ACCOUNT.

2. *Taxation*—(i) *Local Cess.*—Gross collections are to be estimated on the basis of land revenue payable to the Government in the panchayat union area. The transfer to Education Account is to be done in accordance with the provisions of section 115 (4) (*a*) of the Panchayats Act, 1948. The amounts to be transferred to the Town Panchayats and Village Panchayats are to be calculated in accordance with the provisions of sections 115 (4) (*b*) and 115 (4) (*c*) of the Act. To calculate these sums, the population figure published in 1951 census may be adopted. The net local cess after these transfers should be taken credit for under this head.

(ii) *Local cess surcharge*.—The receipts under this head will depend upon the rate of surcharge. If no rate has been levied the receipts will be nil.

(iii) *Entertainment Tax*.—Under section 13 of the Entertainments Tax Act, 1939, as amended by section 195 of the Madras Panchayats Act, 1958, the Government have power to distribute 90 per cent of the proceeds of the Entertainment Tax collected in a Panchayat Union area between the Panchayat Union Council and the Panchayats functioning in that area. The question of fixing the proportions in which the distribution should be made between the Panchayat Union Council and the Panchayats is under consideration of the Government and orders thereon will issue in due course. Pending the issue of orders no credit should be taken in the Panchayat Union Budget under the Entertainments Tax collections. The entire net collections should be taken to the credit of the panchayat concerned.

(iv) *Miscellaneous revenue*.—Full data on this should be locally available.

(v) *Local Cess Surcharge Matching Grant*.—Orders will issue separately regarding the credit to be taken in cases where local cess surcharge is levied. Provisionally credit may be taken for the matching grant on the basis of the provisional classification of the Panchayat Union communicated to the Collectors if local cess surcharge is levied by the time the Budget is framed.

3. *Communications*.—The Local Roads Grant may be calculated on the basis of 40 naye Paise per head of population, the 1951 census figure being adopted as the basis. Data for estimating other receipts should be locally available.

4. *Health and Welfare*.—There is likely to be no major receipts under these heads.

5. *Remunerative Enterprises*.—Full data for estimating these receipts should be readily available.

6. *Capital receipts*.—These can only be development grants from the Government. These will be dealt with in a separate memorandum on framing of a supplementary Development Budget for 1961-62.

EXPENDITURE—ORDINARY—GENERAL ACCOUNT.

7. (a) *Management*.—In respect of the management the expenditure on staff is to be calculated with reference to G.O. No. 1225, L.A., dated 20th July 1960. The expenditure on the Head Clerk, 2 Lower Division Clerks, Attenders, if any, who are attached to the

Elementary Education Section and one Peon should be debited to the Education Fund and the expenditure on the balance of the Panchayat Union staff only should be debited to the General Fund.

(*b*) *Contingencies.*—Full contingent expenditure for the year 1961-62 should be calculated and provided for. The instructions issued in paragraph 5 (*h*) in Memorandum No. 154077/L1/60-1, L.A., dated 4th September 1960 will not be applicable.

(*c*) *Travelling Allowance.*—Full expenditure on this account should be provided for. When the Community Development Programme is entrusted to the Panchayat Union in pursuance of section 66 of the Panchayats Act, the Block Advisory Committee will cease to function and the full responsibility for the implementation of the programme will be that of the Panchayat Union.

(*d*) *Rent of buildings and Repairs to buildings.*—Estimate of expenditure on these should be obtained from the Engineering Staff.

8. *Communications.*—On establishment, contingencies etc., the instructions outlined above in respect of management will apply *mutatis mutandis*. It should be ensured that the expenditure on communications does not materially exceed the receipts under Roads Grant.

9. *Health and Welfare.*—Pending issue of any further orders for items under this head provision should be made in accordance with the instructions issued for framing the Part Year Budget for October 1960–March 1961.

10. *Remunerative Enterprises.*—Full data for estimating charges will be locally available.

*Interest on and Repayment of Debt.*—Where the liability for any repayment of debt originally borrowed for creating a specific asset which has now devolved on the Panchayat Union and consequently the liability has been passed on to the Panchayat Union in terms of the instructions issued in Memorandum No. 120582-T6/60-1, dated 2nd August 1960 provision will have to be made on this account in the budget.

11. *Education Account—Receipts—Ordinary.*—In 1961-62 being the first full financial year in which the first batch Panchayat Unions will be functioning there may be practical difficulties in the Panchayat Union raising their share of the expenditure on Elementary Education strictly in accordance with the provisions of Section 128 of the Madras Panchayats Act. Therefore it has been decided that for the financial year 1961–62, the present system of net cost payment may be continued. In this connection attention is also invited to the recommendations of the Pay Commission in respect of local bodies ' teachers ' salaries and the commitment by the Government to meet the extra cost on this account.

It has also been decided that from the year 1961–62 in modification of the instructions in paragraph 5 (*p*) of Memorandum No. 154077/LI/60-1/L.A., dated 4th September 1960, the grants-in-aid to the private schools should be disbursed from 1st April 1961 by the Panchayat Union on the recommendation of the Deputy Inspector of Schools. Detailed instructions on the procedures of disbursement during 1961–62 will issue from the Education Department. In the light of these decisions estimation of receipts and expenditure under Education Account may be carried out as follows :—

(*a*) Four-ninths of local cess collected in the Panchayat Union will be credited to this head. Reference is invited to paragraph 2 (i) above.

(*b*) Credit may be taken for Land Revenue Assignment as per section 118 of the Act, the 1951 census figure being adopted as the basis for calculation.

(*c*) A new sub-head may be opened as Supplementary Education Grant and the extra cost to be met by the Government on account of the increase in the teachers' salaries may be exhibited under this sub-head. This may be provisionally taken as 25 per cent of the expenditure incurred on the pre-Pay Commission pay scales.

(*d*) The net cost after taking into account the receipts mentioned at (*a*), (*b*) and (*c*) may be exhibited under the sub-head the Local Education Grant. For calculation of the net cost separate instructions will issue from this department in due course.

12. *Expenditure—Ordinary.*—(*a*) *Teaching staff*—Full details should be locally available.

(*b*) *Clerks and servants.*—The instructions issued in paragraph 5 (*s*) of the Memorandum No. 154077/LI/60-1/L.A., dated 4th September 1960 will apply.

(*c*) *Grants to Private Elementary Schools.*—Estimate of the grants payable to the Private Elementary Schools in the Panchayat Union during 1961–62 on the basis of the revised pay scales should be obtained from the Deputy Inspector(s) of schools and the expenditure provided for in the budget.

13. *School Meals Account.*—It has been decided that during 1961–62 disbursement on account of School Meals Grant will be made by the Panchayat Unions on the recommendation of the Deputy Inspectors of Schools. Separate instructions will be issued by the Education Department about the procedure for disbursement of these grants. Credit may be taken on the receipts side under the sub-head 'grants' for an amount calculated on the basis of the orders now in force. Estimates for the amount may be obtained from the Deputy Inspector of Schools.

No special remarks are called for an the expenditure side.

14. It will be seen from the above that these instructions deal mainly with the non-developmental expenditure. They, therefore, cover only Part one of the First Annual Budget. It is necessary that provision for certain categories of Developmental expenditure should be made under Part Two of the First Annual Budget. Separate instructions will be issued on framing of this Part Two Budget for 1961–62 within the framework of the Panchayat Development Schematic Budget on which orders were passed in G.O. No. 664, dated 16th August 1960. Simultaneously orders will also issue under section 66 of the Madras Panchayats Act entrusting Community Development functions to the Panchayat Unions and making provision for a Production Account to be maintained as part of Panchayat Union Accounts.

(Memo. No. 165757/L1/60-1, L.A., dated 22nd September 1960.)

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Under section 117 of the Madras District Boards Act, 1920, the budgets of District Boards should provide for the due discharge of all liabilities in respect of loans contracted by the District Board and for the maintenance of working balance. Where the budgets are expected to close with deficit, the Special Officers of District Boards should submit concrete proposals as to how the deficit could be avoided.

The Special Officers have to bear in mind now that from 2nd October 1960 in each District certain Blocks will have been exercised from the jurisdiction of the district board and will be formed into Panchayat Unions. The revised estimate for the current year 1960–61 will have to reflect this major change.

During the financial year 1961–62, Panchayat Union Councils will come into existence in another 133 Blocks with effect from 13th April 1961. In the remaining areas, Panchayat Union Councils will come into existence on 2nd October 1961. Therefore the District Board will have to frame their estimates for only the first half-year of 1961–62 and that too only for the areas not covered by the 208 Panchayat Unions established from 2nd October 1960 and 13th April 1961 in the first and second batches. The District Boards will have to provide for an expenditure for 1½ months in respect of the second batch of 133 blocks; in other words only the expenditure on the payment of salaries of the staff for March which will be incurred in April and the expenditure up to 13th of April which will have to be paid before the transfer takes place will have to be exhibited in the District Board Budget for 1961–62. Thus the District Board Budget for 1961–62 will show only the transactions in respect of the remaining (Third Batch) Blocks for the period up to 2nd October 1961. The District Boards will stand abolished from 2nd October 1961. However, it may be necessary for the Special Officers to continue to administer the Secondary Schools under the District Boards, if the Secondary Education Board is not formed by that time. In the revised

estimate for 1960–61 as well as in the Budget Estimate for 1961–62 it is necessary to have to a separate account showing receipts and expenditure in respect of the Secondary Schools instead of being shown under a major head " Education other than Elementary " and included in the General Account.

It is expected that the whole State will be covered by Panchayats by 31st December 1960. As and when Panchayats are constituted for non-Panchayat villages, the income from " entertainments tax " and " Stamp duty surcharge " in respect of these villages will go to the Panchayat concerned. Therefore, the income from these two sources will diminish gradually and is likely to cease to accrue to the District Boards from 1st January 1961. Therefore, the etimation of receipts from these two sources will have to be done very carefully and care should be taken to avoid over-estimation in the Revised Budget for 1960-61. In the final Budget for 1961-62 it is not at all likely that there will be any receipts on these accounts.

As regards income from land cess (two annas), additional surcharge on land revenue (two annas) and education cess (three annas) levied on the basis of land revenue, the attention of the Special Officers of District Boards is invited to G.O. No. 1499, L.A., dated 7th September 1960, under which these three items will continue to be levied separately during the current fasli (1370) and the consolidated local cess of 45 naye Paise in the rupee of land revenue will be levied from the next fasli (1371). One-fourth of the land cess collections and one-third of the income from additional surcharge on land revenue will, during the current fasli, go to Panchayats and the income of the District Board under these two heads will be reduced as and when Panchayats are constituted, in the current year (1960–61). The credit to be taken under these heads for 1960–61 (Revised Estimate and 1961–62 (Budget Estimate) may therefore be as follows :—

### I. *Revised Estimate for* 1960–61.

(*a*) *Land Cess.*—The amount of land cess collectable in the areas in which Panchayat Union Councils will come into existence on 2nd October 1960 has to be calculated and 5/12th of such amount will have to be credited to the respective panchayat union funds as their share for the period from 2nd October 1960 to 31st March 1961. The balance of 7/12th for those areas and the District Board's share of 3/4 of the land cess collectable in other areas may be taken credit for in the revised estimates for 1960–61 of the District Board.

(*b*) *Additional Surcharge on Land Revenue.*—Two-thirds of the proceeds of Additional Surcharge on Land Revenue are pooled for the State as a whole and one half thereof is distributed among the District Boards on the basis of the population of the Local Fund

District and the other half on the basis of the mileage of roads maintained by the District Board. The remaining one-third of the proceeds will go to the Panchayats. Orders will be issued separately sanctioning the payments of the amounts due to the District Board for the current year (1960-61). Out of this, the proportionate amounts due to the Panchayat Union Councils which come into existence on 2nd October 1960 will be 5/12ths, i.e., amounts due for five months in the latter half of 1960–61. The amounts payable to the Panchayat Unions should be deducted and the balance only should be taken credit for.

(c) *Education Cess.*—The amount of education cess collectable in the areas in which Panchayat Union Councils will come into existence on 2nd October 1960 has to be calculated and 5/12th of such amount will have to be credited to the respective Panchayat Union Funds as their share for the period from 2nd October 1960 to 31st March 1961. The balance of 7/12ths for those areas and the entire amount of education cess collectable in other areas may be taken credit for in the revised estimate for 1960–61 of the District Board.

## II. *Budget Estimate for* 1961–62.

As already stated, the consolidated local cess of 45 naye Paise in the rupee of land revenue will be levied during the next fasli 1371 and the amounts due will be adjusted during the 12 months of the year 1961–62 commencing from April 1961 on the basis of the estimated collections. The amounts collectable in the first batch (75) and the second batch (133) Panchayat Unions will be adjusted to the respective Panchayat Unions. The District Boards will get only the amounts collectable in the remaining areas wherein the third batch of Panchayat Union Councils will come into existence on 2nd October 1961. The amounts due in respect of these areas should be calculated blockwise for six months and credit should be taken for the total of such amounts as gross income. Out of this 4/9ths should be deducted as amounts transferrable to the Elementary Education Fund of the District Board and 2/9th should be deducted as amounts payable to the Panchayats. Credit may be taken for the balance of 3/9ths only in the District Board Budget for the General Fund.

Under "toll compensation" credit should be taken in the Revised Estimate for 1960–61 for the amounts sanctioned in G.Os. Nos. (Ms.) 1609, Home, dated 31st May 1960 and 2822, Home, dated the 15th September 1960. As regards the Budget Estimate for 1961–62 credit should be taken for an amount calculated as follows :—

Amount shown against the District Board in the appendix.

Population of the District Board X (1951 Census) excluding the population of the first batch and second batch of Panchayat Unions.

*Population (1951 Census figures) of the District Board before constitution of Panchayat Unions.*

Full data for estimation of receipt under other items and under expenditure will be locally available.

In regard to Elementary Education Account, Credit should be taken for receipts from education cess in 1960–61 and share of local cess in 1961–62 according to the instructions in paragraph 6 above. The system of payment of net cost grant will be continued both in 1960–61 and 1961–62. Credit should, therefore, be taken for net cost grant in the Elementary Education Account.

APPENDIX.

| *Name.* | *Amount in rupees.* |
|---|---|
| (1) | (2) |
| 1 North Arcot | 83,750 |
| 2 South Arcot | 92,662 |
| 3 Chingleput | 87,500 |
| 4 Coimbatore | 2,04,549 |
| 5 Madurai | 2,00,000 |
| 6 Nilgiris | 66,500 |
| 7 Ramanathapuram | 1,42,500 |
| 8 Salem | 1,27,000 |
| 9 Thanjavur | 1,53,000 |
| 10 Tirunelveli | 1,34,250 |
| 11 Tiruchirappalli | 95,250 |
| Total | 13,86,961 |

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(*Vide* Memo. No. 169162-L1/60-1-L.A., dated 27th September 1960.)

## BUDGET AND ACCOUNTS.

Third Five-Year Plan of Madras State—Preparation of Panchayat Development Block Schematic Budget—Instructions.

In G.O. Ms. No. 664, Rural Development, dated 16th August 1960, the Government approved a Panchayat Development Schematic Budget for the whole State. This five-year budget which was anticipated as being Rs. 142 crores for the 374 Panchayat Development Blocks of this State was intended to form the basis on which each Development Block would prepare its own block plan. This order set out twenty separate items of resources giving an estimate of the financial resources available for block level planning and the integrated pattern of financial assistance to be made available by the Government to the Panchayats and Panchayat Unions.

2. A memorandum of instructions for the formulation of the Panchayat Development Block Schematic Budget in respect of each block is annexed to this order (Annexure I). The Collectors of all districts are requested to take up immediately the preparation of a five-year Panchayat Development Block Schematic Budget for each block in their districts.

3. In all blocks in which a Block Development Officer has already been appointed, the preparation of the Panchayat Development Block Schematic Budget will be the responsibility of the Block Development Officer, assisted by all his Extension Officers. In all other (shadow) blocks where the Community Development Programme is not yet in operation, the work of preparation of the Panchayat Development Block Schematic Budget will be done by the Block Planning Officer assisted by the Revenue Inspector posted under him.

4. The Plan should be prepared in consultation with the Panchayats and Panchayat Union Council concerned. Wherever Panchayat Union Councils have not yet been constituted, the Presidents of all Panchayats within the block should be consulted at one or more meetings and the plan framed in accordance with their views.

5. It should be clearly understood that the formulation of a Panchayat Development Block Schematic Budget for five years does not constitute financial sanction for incurring expenditure on any of the schemes included therein. The incurring of any expenditure on behalf of the State Government would have to be based on the budget of the State Government and the allocation of appropriations under various heads, by officers authorised in this regard. Similarly the incurring of expenditure from the funds of the Panchayat or the Panchayat Union will have to be based on sanctions accorded under the appropriate procedure prescribed.

6. The formulation of the resources plan is a necessary preliminary to the framing of a block plan. It is only when this operation is completed each block will come to know the overall financial outlay for the next five years, its income by way of assigned revenues, what it can expect by way of Government grants for development and what magnitude of resources it is expected to raise to fulfil its plan. This operation is intended to familiarise the Panchayat leaders with the essential procedures involved in National Planning and to stress their acceptance of their responsibility in raising their share of local resources to fullfil the Plan.

7. It has to be clearly understood that the financial outlay of a Panchayat Development Block Schematic Budget is not an arithmetical division of 142 crores by 374. The principles underlying the Panchayat Development Schematic Budget envisages a

more rapid development of blocks which have so far been lagging behind so as to even out the regional disparities in development as early as possible. It also recognises that the capacities to raise resources within the frame work of the Act differ from Block to Block and hence the need for State Assistance is relatively more in certain Blocks than in certain others.

8. The work of preparation of the Panchayat Development Block Schematic Budgets in respect of all blocks should be completed not later than 31st March 1961. At the district level, the Collector will be assisted in this regard by the Personal Assistant (Planning and Development). The Revenue Divisional Officers will render the necessary assistance and guidance to the Block Development Officers and Block Planning Officers in formulating the Block Plan budget.

9. Collectors are also requested to refer to Government in the Rural Development and Local Administration Department any points requiring clarification, in the formulation of the Plans. They are also requested to keep Government informed of the progress in this work through their monthly Demi-Official progress reports to the Chief Secretary.

## ANNEXURE I.

**Memorandum of instructions for the formulation of a Block Schematic Budget for every development block of the State.**

### SECTION I—INTRODUCTORY.

1. This memorandum details instructions to formulate a Block Schematic Budget for every development block in the State as the first and most important step in the formulation of a block plan. In Annexure I to G.O. No. 664, Rural Development, dated 16th August 1960, an overall financial statement for the State as a whole has been formulated and designated Panchayat Development Schematic Budget. That financial statement has itemised 20 sub-heads of resources under four major heads and these 20 items have been distributed under four different funds, viz., the production fund, the education fund, the general fund and the village panchayat fund. This memorandum seeks to spell out step by step how to prepare a Block Schematic Budget on the same pattern in accordance with the principles laid down in G.O. No. 664, Rural Development, dated 16th August 1960. When each of the 79 figures against the twenty sub-heads under four funds are worked out for a Block and totalled in two vertical columns and four horizontal columns as four major heads a financial statement for the individual block will emerge corresponding to the statement in Annexure I to G.O. No. 664. That statement will be for the block what G.O. No. 664 is for the State. It will show at a glance the outlays in the three major sectors corresponding to the three funds during the third-plan period in the block, the total amount that will be passing through the Panchayat Accounts during the third plan period and will also highlight the quantum of local resources to be raised by the particular Panchayat

Union and the Panchayats within its jurisdiction to fulfil the plan. It may again be reiterated that this financial statement for the block cannot be arrived at by an arithmetical division of the figures in the statement in Annexure I to G.O. Ms. No. 604, Rural Development, dated the 16th August 1960, by 374 (that being the number of blocks in the State). Each figure has to be worked out in accordance with the instructions given below for the concerned block.

2. The boundaries of the block for preparing this statement will be as finalized in the latest delimitation order for each district.

3. The population referred to in this memorandum refers to the population of the delimited block as in 1961. Census figures for the population of villages as per 1961 Census will not be available till some time later in 1961. As a rough and ready working rule, the poulation of every village can be taken as being equal to the population as per 1951 Census plus one-sixth thereof. Necessary readjustments on the basis of ascertained Census figures can be made later.

4. The preparation of this plan involves the classification of various blocks as A, B, C, and D under section 130 of the Madras Panchayats Act. Orders regarding this are under finalization. Pending issue of orders the provisional classification reported by the Collectors may be adopted.

## Section II—The Production Fund.

5. This fund relates to transactions under agriculture, fisheries and Khadi and Village Industries so far as they come within the purview of the Panchayat Union. But it has not so far been possible to determine the amounts that could be made available to Panchayat Unions under the Khadi and Village Industries. A sum of Rs. 950 lakhs has been provided in the Panchayat Development Schematic Budget for the Local Irrigation Grant and Agricultural Grant, the allotment for the fromer being Rs. 200 lakhs and the latter Rs. 750 lakhs. This represents the State Grants. To earn this the Panchayats/Panchayat Unions are expected to raise matching grants to the extent of Rs. 200 lakhs. As has been indicated above, the State Grants are likely to increase by inclusion of grants under other sub-heads of development and that will entail an increase in matching grants to be raised also. For the present the instructions below are restricted to breaking down the State figures relating to the Local Irrigation Grant, the Agricultural Grant and the local revenues to block figures. It may also be noted that these figures represent solely grants and no loans are involved.

6. *Local Irrigation Grant.*—In G.O. Ms. No. 711, Rural Development and Local Administration, dated the 16th April 1960, the Government have passed orders that as per section 85 (1) of the Madras Panchayats Act, the functions relating to the protection and maintenance of the minor irrigation works in charge of the Revenue Department should be transferred to Panchayat Unions. In the same order it has been indicated that a special annual grant called 'Local

Irrigation Grant ' will be made available to the Panchayat Unions to enable them to maintain the irrigation works. This grant will be calculated on the basis of the average annual amount spent by way of repairs on all the minor irrigation works in the block determined with reference to the actuals of five years ending 1959–60. The grant shall be subject to a floor of Rs. 1·50 and a ceiling of Rs. 2·50 for every acre irrigated from these sources. This figure fixed by the Collector for the block should be obtained, the figure for the block calculated and the five-year figure put down.

7. In the same Order Ms. No. 711, attention has been drawn to section 85 (2) of the Madras Panchayats Act, 1958, enabling the Panchayats/Panchayat Unions to take over the customary obligation of kudimaramat, discharge it and meeting the cost by levying a statutory fee for the purpose. The Collectors have been requested to impress upon the Panchayat Unions/Panchayats the imperative need to exercise their powers under this section in order to ensure the maximization of the irrigation potential. No Government grant is normally necessary to discharge the above obligation. But due to long neglect of these obligations, some of the kudimaramath works have reached a level of deterioration at which the customary repairs alone by ryots cannot restore them back to a proper condition. A further expenditure may have to be incurred. It has been laid down in paragraph 41 of Annexure II to G.O. Ms. No. 664 that expenditure up to one rupee per acre of ayacut per year will be considered normal kudimaramath expenditure to be borne by the Panchayat Union/Panchayat/ayacutdars, and the excess expenditure over this will be shared by the Government to the extent of two-thirds of such excess expenditure over one rupee per acre of ayacut per year. Provision for the Government share of such excess kudimaramath may be made and added to the local irrigation grant.

8. *Agriculture Grant.*—A sum of Rs. 750 lakhs has been provided under this sub-head for the whole State for the Third Plan period for schemes to be taken up by Panchayat Unions and Panchayats. This provision has been arrived at by grouping together provisions available in the Block Schematic Budgets for Agriculture, Animal Husbandry and Irrigation, the Departmental Plans of the Agriculture and Animal Husbandry Departments. Each Block is to be allotted Rs. 2 lakhs of grants under this sub-head during the Third Plan period.

9. Out of this two lakhs, a sum of Rs. 1 lakh will be reserved for distribution as a specific percentage grant among Panchayats of the Block for being used on the following purposes:—

(i) Raising of Panchayat plantation for the production of fuel, fodder and green leaf manure.

(ii) Promotion of composting.

(iii) Promotion of green manuring.

(iv) Distribution of pesticides at subsidized rates, etc.

On all three items, the grant will cover two-thirds of the expenditure incurred by the Panchayats subject to an overall ceiling of Rs. 1 lakh per Block for five years. The Panchayats will have to find as matching contribution Rs. 50,000.

10. The balance of Rs. 1 lakh per Block for the five-year period will be made available as grants to Panchayat Unions to be used on the following purposes:—

(i) Maintenance of a Gramasahayak Service and payment of premium on seed grain to him.

(ii) Supply of plant protection equipment to co-operatives and Panchayats.

In this connection, attention is invited to the provisions of G.O. Ms. No. 3792, Food and Agriculture, dated the 16th November 1960, detailing out the procedure for the formulation of a Village Production Plan. The above one lakh rupees is contributed by the Government on a non-matching basis.

11. *Raising of matching contribution for the grants in production fund*—(i) *Local Irrigation Fee.*—For earning the excess kudimaramath fees, the Panchayats/Panchayat Unions will have to contribute their share of the expenditure as has been explained in paragraph 6 above to the extent of one-third of the cost in excess of one rupee per acre of ayacut per year. Under section 85 (2) of the Act any Panchayat may undertake to execute on behalf of the ryots kudimaramath and levy such fee and on such basis for the purpose thereof as may be prescribed. It is expected that Panchayats will undertake this function and levy a suitable fee. This item is called ' the Local Irrigation **Fees** '.

(ii) *Village Development Rates.*—It has been pointed out in paragraph 8 above that one lakh of rupees of agricultural grants is to be given on the basis of a matching contribution of Rs. 50,000 to be raised locally. Section 119 (3) of the Act lays down that the Panchayat may levy a tax on agricultural land for a specific purpose. It is anticipated that the Panchayat will utilize the provision in order to collect the share of the contribution it has to provide.

## SECTION III—EDUCATION FUND.

11-A. Under this fund has been shown transactions under eight sub-heads—namely, the transfer from local cess, the land revenue assignment, Local Education Grant, Supplementary Education Grant, School Meal Grant, Social Education Grant. The Village Works Grant (School Buildings) and Local Revenues (Special). Transfers from the General Fund from the collections of Local Cess surcharge and Local Cess Surcharge Matching Grant will also be coming into this fund but for convenience of exhibition the whole of Local Cess Surcharge Matching Grant has been exhibited under the General Fund.

12. *Local cess contribution to Education Fund.*—Local cess is collected at the rate of 45 naye Paise per rupee of land revenue in the State under section 115 of the Madras Panchayats Act, 1958. Out of the proceeds collected, four-ninths or 20 naye Paise per rupee of land revenue collected in the block is credited to the Panchayat Union Education Fund. The State figure has been shown as 500 lakhs for

five years. The Block figure can easily be arrived at by putting down for five years of the Third Plan an amount equivalent to the land revenue collected in the Block.

13. *Land revenue assignment.*—Section 118 of the Madras Panchayats Act lays down that Government shall pay to each Panchayat Union a sum representing one rupee for each individual of the population of the Panchayat Development Block from out of the land revenue collected in the State during the year. This statutory assignment of one rupee per capita provides the first slab of educational expenditure mentioned in section 128 of the Act. Based on an estimate of rural population of 3 crores in 1961, a sum of Rs. 15 crores has been indicated as the State figure. The figure for the block should be worked out on the basis of 1951 Census figures plus one-sixth thereof and then revising them in the light of Census figures when they become available. The five-year figure will have to be calculated.

14. *Local Education Grant.*—Section 128 of the Act provides that after setting off the first slab of expenditure against the land revenue assignment mentioned above, the Government shall pay annually to every Panchayat Union a local education grant. The Act provides that the ceiling of the second slab of educational expenditure should be 250 naye Paise per capita. Government shall pay a local education grant on this second slab depending on the classification of the block as follows:—

| | | | | | |
|---|---|---|---|---|---|
| **A class Block** | .. | **Government** | **50 per cent ;** | **Panchayat union** | **50 per cent.** |
| **B class Block** | .. | **Do.** | **60 per cent ;** | **Do.** | **40 per cent,** |
| **C class Block** | .. | **Do.** | **70 per cent ;** | **Do.** | **30 per cent.** |
| **D class Block** | .. | **Do.** | **80 per cent ;** | **Do.** | **20 per cent.** |

In paragraph 18 of Annexure II to G.O. No. 664, it has been explained how the original expectation that the targetted level of expenditure on primary education was only 350 naye Paise per capita by the end of the Third Plan and how the successive increases in teachers' salaries have resulted in pushing up this targetted level of expenditure to achieve the same physical targets. It has, therefore, become necessary in addition as a result of the recent Pay Commissions' recommendations, to pay in addition a non-statutory supplementary education grant to enable the Panchayat Unions to meet the increased commitment on the payment of higher salaries to the teachers. The expenditure on school meals and social education had also to be kept outside the second slab expenditure. For sharing on the second slab expenditure after excluding the above items, the Government have indicated Rs. 18 crores as the figure for five years for the State as a whole in the Panchayat Development Schematic Budget.

15. In order to arrive at the figure for the block for the local education grant for the five-year period of the Third Plan, it is necessary to determine the second slab expenditure. This is computed in the following way:—

(i) The total expenditure in the block for the five years on elementary education has to be calculated after excluding the expenditure on school buildings, school meals, and social education.

(ii) From this figure 20 per cent on the salaries of teachers on the new scales will have to be deducted. This represents supplementary education grant and does not figure in the computing of the first and second slabs of expenditure on elementary education.

(ii) From the figure so obtained, the first slab expenditure calculated on the basis of one rupee per capita of population on 1961 Census figures, for five years should be taken out. The balance represents the second slab expenditure.

(iv) To this second slab expenditure so obtained, the percentage of Government share indicated in paragraph 14 above should be applied. Then the local education grant for the block for the Third Plan period is arrived at.

16. The above grant is subject to a minimum guaranteed figure which has been indicated in paragraph 7 of the G.O. No. 2075, Education, dated 27th September 1960. The local education grant to be given in the years 1961-62 to 1965-66 will not fall short of the net cost grant to be given in 1961–62. But the net cost grant to be disbursed in 1961–62 shall not be allowed to exceed the net cost grant given to the schools in a block (both aided and union) in 1960–61 by one-seventh.

17. The above calculations involve the determination of the total expenditure on elementary education in a block. This determination involves the following data:—

(i) An estimate of the number of teachers required in 1965 (both in aided and union schools);

(ii) the number of teachers employed both in aided and panchayat union schools in March 1961; and

(iii) the cost of elementary education per teacher. If the above three factors are available, the total cost on elementary education in a block during the Third Plan can be arrived at for planning purposes by this simple formula.

18. Total cost on primary education during the Third Plan in the block = (two times the number of teachers employed in the block in March 1961 both in aided and union schools + three times the number of teachers estimated as required in 1965 for both aided and union schools) × the cost of elementary education per teacher.

19. The steps to arrive at the figure for the local education grant for each year of the next five-year period have been given in the illustrative plan annexed to these instructions (Annexure II). The plan also indicates the calculations of local resources to be raised year after year to implement the education plan of the panchayat union.

20. In 1961–62 the local education grant will be distributed on a net cost grant basis. Beyond 1961–62 the local education grant will be distributed only in accordance with the provisions in paragraph 14 15 and 16. If further development in primary education is to take place, the panchayat unions will have to raise resources to bring their share of the expenditure in the second and third slab to the percentage

stipulated in paragraph 14 above. In order to enable the panchayat unions to raise resources for this purpose they have been empowered under section 116 of the Madras Panchayats Act to levy local cess surcharge under section 129 of the Act; this local cess surcharge collection will be matched by a Government grant calculated at prescribed percentages 75, 100, 125 and 150 per cents depending upon the classification of the block being A, B, C and D respectively. The Panchayat Union Councils must realize that without raising resources through local cess surcharge they will not be able to reach the targets in respect of primary education during the Third Plan.

21. *Supplementary education grant.*—This has already been briefly dealt with in paragraph 14. The Government are committed to making available to the panchayat unions the resources required for the payment to teachers of higher salaries based on the recommendations of the Pay Commission. It has been calculated that the increases so given will represent an amount equal to twenty per cent of the new salaries (including dearness allowance) in the case of all elementary school teachers. In order to offset the increased expenditure, every panchayat union will receive an amount equal to 20 per cent of the salaries actually paid during the year to all elementary school teachers in the panchayat union under the new scales of pay as a non-statutory supplementary education grant. The total amount for the five years for the State has been indicated as 1,200 lakhs. The figure for five years for the block on the basis of the expenditure on teachers' salaries during the five years has to be worked out.

22. *School Meals grant.*—It has already been pointed out that this could not be accommodated within the first and second slabs of educational expenditure. The increase in expenditure year after year will be proportionate to the increased enrolment. For the State as a whole a provision of Rs. 600 lakhs has been made in the Panchayat Development Schematic Budget. The scheme envisages payment of 6 naye Paise per child per meal by the Government on realization of a matching contribution of 4 naye Paise per child per meal from local resources. The figure for five years for the block has to be worked out on the phased programme of enrolment prescribed by the Education Department.

23. *Social Education grant.*—This is a non-matching grant to be given at the rate of 10 naye Paise per capita per year and 50 nP. per capita for the five years.

24. *Village Works grant.*—This is intended to finance construction of school buildings, on the basis of 50 per cent contribution from the Government and 50 per cent to be raised locally. For the State as a whole provision has been made for 200 lakhs rupees for five years. This distribution of this amount to the blocks will be on the basis of the new school places to be created with reference to enrolment targets for new pupils in the respective blocks. The allotment for each block would be Rs. 15 for every new school place created during the Third Plan period, with reference to blockwise break-up of the State target of new enrolment. The fifty per cent contribution will be insisted upon.

25. *Local Revenues (special).*—A provision of Rs. 600 lakhs has been indicated for the State as a whole for five years in the Panchayat Development Schematic Budget. So far as Education Fund is concerned, this can be raised only as village development rates and voluntary development contribution. A matching contribution of Rs. 400 lakhs by all the panchayat unions is expected during the five years to finance the share of the local contribution for the scheme. Largely at present this local contribution is collected by way of donations from the local public. To a considerable extent this will continue to be collected. In addition it is possible for a panchayat to resort to a levy under section 119 (3) of the Panchayat Act to finance their share. This has already been referred to as village development rate in paragraph 10 above. In addition the construction of a school building will necessarily call for a local contribution of 50 per cent of the cost of the building. This again will have to be financed either by collection of donations from the local people or by levy of a village development rate. The provision under this head will, therefore, have to be worked out with reference to the requirements of the block for the mid-day meals scheme and school buildings.

SECTION IV—GENERAL FUND.

26. *Local cess.*—Section 115 of the Madras Panchayats Act, 1958, provides for the levy of local cess at a uniform rate of 45 naye Paise in the rupee of land revenue in the State and for the distribution of the proceeds of this levy between panchayats and panchayat unions. Out of the proceeds of the local cess collected four-ninths is to be credited to the Panchayat Union Education Fund as has been indicated in paragraph 12 above. Out of the balance a proportion is to be credited to the Village Panchayat Fund which will ensure that the panchayats will get 20 nP. per capita. The balance is to be credited to the Panchayat Union General Fund. If there are town panchayats only two-ninths of the sum of local cess collected within the town panchayat area will be credited to Town Panchayat Fund. For the State as a whole a figure of Rs. 375 lakhs has been assumed for the next five years under this sub-head.

27. *Local cess surcharge.*—Section 116 of the Madras Panchayats Act, 1958, provides that every Panchayat Union Council may levy a local cess surcharge at such rate as may be considered suitable as an addition to the local cess levied under section 115 subject to such maximum as may be prescribed. The surcharge so levied is initially credited to the Panchayat Union General Fund. But part of the receipts from local cess surcharge (and the corresponding matching grant) will have to be transferred to the Panchayat Union Education Fund to provide the panchayat unions share of second slab expenditure on elementary education. It has already been explained in paragraph 20 above that the levy of local cess surcharge is inescapable if the panchayat union is to fulfil the targets of universal compulsory primary education by 1965.

28. *Minor local revenues.*—This includes, market fees, entertainments tax, licence fees, profession-tax, vehicle-tax and fishery rentals. Of these at present only the market fees from the panchayat

union markets will go to panchayat unions. The entertainments tax at present is given entirely to panchayats after a deduction of 10 per cent by way of collection charges. The Government have assumed powers under this Act to direct the distribution of entertainments tax between the local authority in whose jurisdiction the entertainment is held with any other local authority(ies) in the neighbourhood. Under this provision the State Government may direct the distribution of the 90 per cent of proceeds of the entertainments tax between panchayats and the panchayat union in prescribed proportions. Licence fees, profession-tax and vehicle-tax are all revenues for panchayats. There may be revenue from fisheries vesting with the panchayat unions. An actual estimation of these receipts for five years will have to be attempted and the proportion mentioned in paragraph 13 of Annexure II to G.O. No. 664 should not be automatically applied.

29. *Local cess surcharge matching grant.*—The relevant provision is found in section 129 of the Act, corresponding to the local cess surcharge levied by the panchayat union under section 116, the Government will pay the panchayat union a matching grant. This item will directly be credited to the Panchayat Union General Fund. As in the case of local cess surcharge itself part of this amount will subsequently have to be transferred to the Panchayat Union Education Fund. The matching grant payable by the Government will be 75, 100, 125 and 150 per cent of the local cess surcharge collected depending upon the classification of the block as A, B, C or D. As has already been indicated the classification reported by the Collector may be adopted for the present for this purpose.

30. *Local Roads grant.*—Section 131 of the Act provides for the payment of a sum calculated at the rate of 40 naye Paise per capita to the Panchayat Union Council to enable it to maintain Panchayat Union Roads. This provision which is to be credited to the Panchayat Union General Fund is intended to be used only for the efficient maintenance of the Panchayat Union Roads. The five-year provision on this account may be estimated.

31. *Women and children's welfare grant.*—A sum of Rs. 100 lakhs has been provided under this head for the five-year period. The total available provision will be distributed equally according to the population, among the blocks. This works out to 33 and one-third naye Paise per capita for five years. In addition to this amount further grants for family planning is likely to be made available. This is a non-matching outright grant.

## SECTION V—VILLAGE PANCHAYAT FUNDS.

32. The instructions for estimation of provisions for Village Panchayats made hereunder are for all the Village Panchayats in a development block taken together, for the next five years.

33. *Local cess.*—As has already been indicated under this sub-head in respect of the Panchayat Union General Fund, the Panchayats will get 20 naye Paise per capita per year. One rupee per capita for five years may be provided for under this head in respect of population in the Village Panchayats alone.

34. *Stamp duty surcharge.*—The relevant provision is found in section 124 of the Act. The entire proceeds of this item are to be credited to the Village Panchayat Fund. The stamp duty surcharge is to be raised to five per cent from the present level of four per cent. The income from the source has been fixed for the State as a whole at Rs. 500 lakhs for five years. There is also a change in the mode of distribution of the proceeds of this surcharge. Instead of the present practice of handing over to each Panchayat, the surcharge collected within its jurisdiction the proceeds for a block is to be pooled and distributed to the Panchayats in the block in proportion to the land revenue of the Village Panchayats.

35. *Village House Tax.*—Under section 119 (*i*) of the Act the levy of Village House Tax is compulsory. This is an income exclusively for the village panchayats. So far huts were exempted from taxation. This exemption has now been removed. A strong incentive has been provided in the form of a matching grant. The collection work will be undertaken by the Village Officers. The house tax is an important source of revenue which is expected to be expanded by the Village Panchayats in order to raise their share of matching contribution for village works and to provide better amenities to the villages. Five-year provision under this sub-head may be estimated.

36. *Minor Local Revenues.*—Market fees for Panchayat markets, entertainments tax, licence fees, profession tax, vehicle tax and rentals for Panchayat fisheries constitute the minor local revenues. Panchayats may develop further markets. Licence fees too is an expanding source of income. Profession tax is compulsory under section 119 (i) and this revenue also is likely to increase. The position in respect of vehicle tax is also similiar. Five-year estimates of these revenues for all Panchayats in the development block will have to be prepared.

37. *Village House Tax Matching Grant.*—Section 132 of the Act relates to this. This is a matching grant corresponding to the House Tax raised by the Panchayat under section 120. The whole of this amount is to be credited to the Panchayat Fund and is equal to the Village house-tax to be raised. As has been stressed above in paragraph 35 this matching grant along with the Village house-tax is to constitute the main source of revenue for village panchayats to finance their contribution to the village works and to provide better amenities in the villages.

38. *Village works grant.*—At present rural works are undertaken from provisions available in the following main schemes : (1) The Block Schematic Budget in Block area, (2) the Local Development Works in non-Block areas, (3) the Rural Water-supply Comprehensive Scheme, (4) the National Water-supply and Sanitation Scheme, (5) the Five-Year Plan Road Works Scheme under the existing arrangements the same type of work is administered under a variety of schemes. It is now proposed to consolidate the provisions under all these schemes except the National Water-supply Schemes into a single provision for all blocks. In certain cases the percentage of local contribution expected from the public varies from scheme to scheme

though the type of work undertaken is the same. It is now proposed to remove such differences also. Under the consolidated scheme there will be a village works grant to each Panchayat for the provision of drinking water-supply and link roads.

39. It has been decided to lay down the rule " Every Block should receive an equal amount for the ten-year period covered by the Second and Third Plan ", in respect of distribution of this amount blockwise. The share of each block for the ten-year period on the above basis has been worked out as Rs. 6·67 lakhs. During the Third Plan therefore each block will have a provision for these two purposes calculated on the basis of Rs. 6·67 lakhs less the amount spent during the Second Plan in that block for these two purposes under various schemes. At the same time taking into account the capacities of blocks to raise the matching contribution and spend the amount and also to have a minimum programme even in blocks which have progressed considerably in this direction it will be advisable to have a ceiling of 4 lakhs per block under this head if the amount arrived at in accordance with the above formula warrants a higher provision. Similarly it is also advisable to have a minimum programme of two lakhs, rupees when the provision calculated in accordance with the formula goes below this. It should be clearly understood that the outlay on this programme for the five years will depend not only on the magnitude of the felt needs of the people of the block but also on the capacity of the Panchayats to raise the necessary matching contribution. It may be noted that considerable liberalization in the pattern of assistance to the more backward areas has been effected as explained below in paragraph 34 of Annexure II to G.O. No. 664 and therefore size of the matching contribution the Village Panchayats hope to raise will determine this outlay for the next five years.

40. *Local Revenues* (*Special*).—This includes village development rates and voluntary development contributions. The former has been explained in paragraph 11 (ii) above. This is the levy under section 119 (3) of the Act, to be imposed on the agricultural lands to raise resources for a specific purpose. Resources will have to be raised by resort to this levy to enable the Panchayats to finance the matching contributions required for the Village Development Works. At present Local Development Works as well as Block Works are executed with the matching contribution raised by local donations. To a considerable extent matching contributions may continue to be raised in this way. Each Panchayat Development Block has to estimate the resources to be raised as Local Revenues (Special) for the Five-Year period. As has already been pointed out in paragraph 39 above, the magnitude of the local works grant to be received from the State Government in a Block will largely depend upon the matching resources to be raised by the Panchayats in that block by way of Local Revenues (Special).

## SECTION VI—CONCLUDING REMARKS.

41. It will be seen from the foregoing paragraphs that while formulating the Panchayat Development Block Schematic Budget the Panchayat Union and Panchayats within its jurisdiction are called

upon to accept specific responsibility to raise necessary resources to fulfil the Plan. The Government grants for development of primary education, village works, agriculture, school feeding are all to be given on a matching basis. The Madras Panchayats Act has given sufficient powers to the Panchayat Unions and the Panchayats to raise additional resources, viz., the Local Cess Surcharge, specific tax on agricultural land, etc., and in addition the Act has also envisaged Government giving matching grants on resources raised, viz., the Local Cess Surcharge Matching Grant and House Tax Matching Grant. The resources to be raised by a Panchayat Union/Panchayats in accordance with the above instructions will constitute a significant but not an unduly high percentage, of the additional developmental expenditure contemplated. It should be specifically brought home to the Panchayat leaders that if local resources to the extent specified in the Schematic Budget were not raised to that extent the Panchayat Union would get only reduced Government grants and the size of their development plan would be smaller. It should be explained to the Panchayat leaders that the total amount of Government grants available for distribution is limited and fixed in the Schematic Budget for the State. Any Block which neglected to make adequate provision for raising local resources is likely to find later on that that the available funds are already committed to other Blocks. Therefore, every Block should make provision for local resources fully matching the maximum amount of Government grants which it is entitled to expect under these instructions.

## ANNEXURE II.

### Plan for Elementary Education of Tirukalukundram Block in Chingleput district.

I. POPULATION—

(1) Population of the Block as per 1951 Census. — 77,247 or 77,000 roundly.

(2) Population in 1965–66 (It is estimated that the population will go up by 25 per cent in 15 years). — $77{,}000 \times \frac{125}{100}$

(3) Number of pupils to been rolled by 1965–66 of the age group of 6 to 11 in Classes 1 to 5 (on the basis of the assumption that 12½ per cent of the total population will be of the age group 6 to 11 and that the target for achievement by the end of the Third Five-Year Plan period would be 90 per cent of this population group or 11 per cent of the total population.

$$77{,}000 \times \frac{125}{100} \times \frac{11}{100} = 10{,}615$$

(4) Number of students at present enrolled in all the schools in the Panchayat Union in the Standards 1 to 5 (aided Union and departmental schools). — 7,552

(5) New Enrolment to be made. — 10,615—7,552 =3,063

II. TEACHERS—

(1) Number of elementary schools in the Block—

| | |
|---|---|
| Panchayat Union Schools .. .. | 51 |
| Aided Schools .. .. .. .. | 7 |
| Harijan Welfare Schools .. .. | 7 |
| | 65 |

(2) Number of teachers in 1960-61

| | |
|---|---|
| Panchayat Union .. .. .. .. | 162 |
| Aided .. .. .. .. .. | 32 |
| Harijan Welfare .. .. .. .. | 14 |
| | 208 |

(3) Number of teachers to which the Block is entitled for elementary education for the year 1965–66—

If a uniform ratio of one teacher to 40 pupils is adopted the number of teachers. — $\frac{10{,}615}{40} = 265$

(4) Number of teachers to which the Block is entitled to in 1965-66—if the ratio adopted is one teacher for every 45 pupils of new enrolment. =208+3,063 (existing) / 45
=208+68
=276

We may lay down the Principle that the number of additional teachers to be employed should be calculated on the basis of one for every 45 pupils of new enrolment subject to the ceiling of one for 40 of the total over all total of pupils who will be on the roles by 1965-66.

(5) Therefore the number of teachers who may be employed in the Tirukalikundram Block for the year 1965-66 for elementary education would be 265.

III. Cost of Elementary Education—

The expenditure incurred by the Panchayat Union in respect of Payment of teacher salaries and school contingencies is taken into account here. In respect of aided schools the cost of education is computed on the basis of grants made for teacher salaries and for maintenance grants. The figures for the year 1960-61 are as follows :—

For 162 teachers employed by the Union the expenditure is } Rs. 1,81,123

For 32 teachers employed in aided schools the expenditure is } 32,497

(Expenditure on Harijan Welfare Schools was not readily available and has, therefore, not been taken into account for the purpose of arriving at the cost of education per teacher).

(1) Thus for 194 teachers the expenditure on elementary education is Rs. 2,13,620 per annum.

(2) Therefore, expenditure on elementary education per teacher. } 1,100 per annum.

This expenditure includes teacher salaries (on the basis of pay scales awarded by the Pay Commission) and expenditure on school contingencies.

The crucial figures thus are—

| | |
|---|---|
| Number of teachers in 1960-61 .. .. | 208 |
| Number of teachers for 1965-66 .. | 265 |
| Cost of Elementary Education per teacher. | 1,100 per annum. |

(3) Therefore, the total cost of elementary education = (2 x 208 + 3 x 265) x 1,100 = 1,211 x 1,100 or Rs. 13,32,100 (during the III Plan).

This figure represents the five year expenditure on Elementary Education.

IV. RESOURCES—

(1) *Supplementary education grant*—

Of the total 5 year expenditure of Rs. 13·32 lakhs, 90 per cent represents the expenditure on payment of teacher salaries alone. (Only 10 per cent is the expenditure on school contingencies).

The supplementary education grant is 20 per cent of the teacher salaries on the new salary scales.

Therefore, for the five-year period, the Panchayat Union will obtain a supplementary Education Grant equal to .. .. .. $\frac{13·32 \times 90}{100} \times \frac{1}{5}$ =2·4 lakhs.

(2) *First slab. Met by Land Revenue assignment*—

Population of the Block in 1961.

$$=77,247 \times \frac{7}{6} = 90,122$$

Therefore, Land Revenue assignment at the rate of one rupee per capita per annum .. =Rs. 90,122 per annum.

The five-year income under Land Revenue Assignment under first slab is therefore Rs. 4·5 lakhs.

(3) The expenditure in excess of these two items constitutes the second slab.

The second slab of expenditure under Elementary Education for five years is, therefore

$$=13·32—(2·4+4·5)=6·42 \text{ lakhs.}$$

(4) Tirukalikundram is a B Class Block. The Block is, therefore, entitled to a Local Education Grant of 60 per cent of the expenditure of the second slab.

Therefore, Local Education Grant

$$=\frac{6·42 \times 60}{100}=3·85 \text{ lakhs.}$$

(5) The balance of 40 per cent has to be met by local resources. This amount works out to Rs. 2·57 lakhs for the five years.

(6) *Local cess—*

Land Revenue in the Block is Rs. 1·28 lakhs per annum.

Share from the Local Cess for Education is 20 nP. per rupee of Land Revenue per annum.

Therefore, contribution from Local Cess to Education per annum .. .. .. =·256 lakhs.

Five-year contribution from Local Cess is therefore, .. .. .. .. .. =1·28 lakhs.

Balance to be found .. .. .. .. =Rs. 1·29 lakhs

(7) This balance of Rs. 1·29 lakhs for five years will normally have to be found from Local Cess Surcharge and the Matching Grant.

Tirukalikundram being a B Class block, it is entitled to a Matching Grant of 100 per cent on the Local Cess Surcharge raised.

Therefore, Local Cess Surcharge to be raised. =1·29 X ½ lakhs or ·645 lakhs for five years.

V. The Annual Plans and Net Cost—

Number of teachers in 1960–61—208.

Number of teachers in 1965–66—265.

Increase during five years is 57.

The phasing of this increase in the next five years will be 8, 16, 12, 12 and 9 teachers (in the proportion 2 : 4 : 3 : 3 : 2 in the five years).

| | RS. |
|---|---|
| Expenditure on Elementary Education with 208 teachers in 1960–61 .. .. .. .. .. .. | 2,28,000 |
| Expenditure on Elementary Education with 216 teachers in 1961–62 .. .. .. .. .. .. | 2,37,000 |
| This will be split up as follows :— | |
| (i) Supplementary Education Grant .. .. | 42,700 |
| (ii) Land Revenue Assignment (first slab) .. | 90,000 |
| (iii) Land Revenue Assignment (second slab) .. | 1,04,300 |
| Government share of this at 60 per cent .. .. | 62,600 |
| Panchayat union share at 40 per cent .. .. | 41,700 |
| Local Cess contribution .. .. .. .. | 25,600 |
| (iv) N t cost grant for 1961–62=62,600 + (41,700 −25,000) .. .. .. .. .. .. | 78,700 |

1962-63—

Number of teachers—232.

| | RS. |
|---|---|
| Total expenditure | 2,54,600 |
| (i) Supplementary Education Grant | 45,800 |
| (ii) Land Revenue Assignment (first slab) | 90,000 |
| (iii) Land Revenue Assignment (second slab) | 1,18,[illegible]00 |
| Government share (Local Education Grant) | 71,300 |
| Panchayat Union share | 47,500 |
| Local Cess | 25,600 |
| Local Cess Surcharge and Matching Grant | 21,900 |

1963-64—

Number of teachers—244.

| | RS. |
|---|---|
| Total expenditure | 2,67,800 |
| (i) Supplementary Education Grant | 4[illegible],200 |
| (ii) Land Revenue Assignment (first slab) | 90,000 |
| (iii) Land Revenue Assignment (second slab) | 1,28,600 |
| Government share (Local Education Grant) | 77,200 |
| Panchayat Union share | 51,400 |
| Local cess | 25,600 |
| Local Cess Surcharge and Matching Grant | 25,800 |

1964-65—

Number of teachers—256.

| | RS. |
|---|---|
| Total expenditure | 2,81,000 |
| (i) Supplementary Education Grant | 50,600 |
| (ii) Land Revenue Assignment (first slab) | 90,000 |
| (iii) Land Revenue Assignment (second slab) | 1,40,400 |
| Government share | 84,200 |
| Panchayat Union share | 56,200 |
| Local Cess | 25,600 |
| Local Cess Surcharge and Matching Grant | 30,600 |

1965-66—

Number of teachers—265.

| | RS. |
|---|---|
| Total expenditure | 2,90,000 |
| (i) Supplementary Education Grant | 57,600 |
| (ii) Land Revenue Assignment (first slab) | 90,000 |
| (iii) Land Revenue Assignment (second slab) | 1,42,300 |
| Government share | 85,400 |
| Panchayat Union share | 56,900 |
| Local Cess | 25,600 |
| Local Cess Surcharge and Matching Grant | 31,300 |